

1 Ford Greene
2 California State Bar No. 107601
3 HUB LAW OFFICES
4 711 Sir Francis Drake Boulevard
5 San Anselmo, California 94960-1949
6 Telephone: (415) 258-0360

7 Attorney for Defendant
8 GERALD ARMSTRONG and THE
9 GERALD ARMSTRONG CORPORATION

ORIGINAL FILED

SEP 14 1993

LOS ANGELES
SUPERIOR COURT

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

RECEIVED

SEP 16 1993

11 CHURCH OF SCIENTOLOGY)
12 INTERNATIONAL, a California)
13 not-for-profit religious)
14 corporation;)

Plaintiff,

vs.

16 GERALD ARMSTRONG; THE GERALD)
17 ARMSTRONG CORPORATION, a)
18 California corporation; DOES)
19 1-25, inclusive;)

Defendants.

Case No. BC 084 642

DEFENDANT'S EXHIBITS IN
SUPPORT OF SPECIAL MOTION
TO STRIKE INCLUDING
DECLARATIONS OF FORD GREENE,
GERALD ARMSTRONG AND VICKI
AZNARAN

Date: October 6, 1993
Time: 8:30 a.m.
Dept: 30

Discovery Cut Off: None
Motion Cut Off: None
Trial Date: None

20 In support of the special motion to strike defendant Gerald
21 Armstrong and the Gerald Armstrong Corporation submit the
22 following Exhibits.

23 They are indexed as follows:

24 Exhibit A: Declaration of Ford Greene

25 A-1: Complaint in Armstrong II.

26 A-2: Minute Order (stay order) dated March 23, 1993
27 in Armstrong II.

28 A-3: Minute Order (preliminary injunction) dated

- 1 May 28, 1992 in Armstrong II.
- 2 A-4: Notice of Appeal of preliminary injunction
- 3 filed July 30, 1992, in Second District Court
- 4 of Appeal, Case No. B 069 450.
- 5 A-5: Application for Order to Show Cause Why Gerald
- 6 Armstrong Should Not Be Held In Contempt filed
- 7 in Armstrong II.
- 8 A-6: Transcript of Proceedings of March 5, 1993 in
- 9 Armstrong II
- 10 A-7: Notice of Motion for Preliminary Injunction
- 11 and supporting papers filed in Armstrong II.
- 12 **Exhibit B: Declaration of Gerald Armstrong**
- 13 B-1: Page 157 of Volume II of The Technical
- 14 Bulletins of Dianetics and Scientology, by L.
- 15 Ron Hubbard, the founder of Scientology.
- 16 B-2: Guardian Order 166, dated October 7, 1971.
- 17 B-3: June 20, 1984 decision by Paul G.
- 18 Breckenridge, Jr., in the case Church of
- 19 Scientology of California v. Armstrong, L.A.
- 20 Superior Court No. C 420 153.
- 21 B-4: Declaration of Gerald Armstrong dated June 4,
- 22 1993, in Church of Scientology International
- 23 v. Wollersheim, L.A.S.C. Case No. BC 074 815.
- 24 **Exhibit C: Declaration of Vicki Aznaran**
- 25 **Exhibit D: Notice of Motion and Motion to Strike Portions of**
- 26 **Complaint; Memorandum of Points and Authorities In**
- 27 **Support Thereof filed July 28, 1988 in Religious**
- 28 **Technology Center vs. Yanny, L.A.S.C. Case No. c**

690 211.

DATED: September 13, 1993

HUB LAW OFFICES

By:

FORD GREENE

Attorney for Defendants
GERALD ARMSTRONG and THE
GERALD ARMSTRONG CORPORATION

1 Ford Greene
California State Bar No. 107601
2 HUB LAW OFFICES
711 Sir Francis Drake Boulevard
3 San Anselmo, California 94960-1949
Telephone: (415) 258-0360

4 Attorney for Defendant
5 GERALD ARMSTRONG and THE
6 GERALD ARMSTRONG CORPORATION

7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF LOS ANGELES

10
11 CHURCH OF SCIENTOLOGY)
INTERNATIONAL, a California)
12 not-for-profit religious)
corporation;)

13 Plaintiff,)
14)

15 vs.)

16 GERALD ARMSTRONG; THE GERALD)
ARMSTRONG CORPORATION, a)
17 California corporation; DOES)
1-25, inclusive;)

18 Defendants.)
19)

Case No. BC 084 642

DECLARATION OF FORD GREENE IN
SUPPORT OF SPECIAL MOTION TO
STRIKE

Date: October 8, 1993
Time: 9:00 a.m.
Dept: 83

Discovery Cut Off: None
Motion Cut Off: None
Trial Date: None

20 FORD GREENE declares:

21 1. I am an attorney licensed to practice law in the Courts
22 of the State of California and am the attorney of record for
23 Gerald Armstrong and The Gerald Armstrong Corporation, defendants
24 herein.

25 2. I am also the attorney of record for said defendants in
26 Church of Scientology International v. Armstrong, L.A.S.C. No. BC
27 052 395 ("Armstrong II") and in the appeal of a preliminary
28 injunction in that case for which notice was filed on July 30,

1 1992, in Second District Court of Appeal, case No. B 069 450.

2 3. Attached hereto and incorporated herein are true and
3 correct copies of documents the authenticity of which I know
4 because I am the attorney of record in the litigation in which
5 they were filed excepting Exhibit D as to which I know the
6 authenticity thereof on information and belief. Said documents
7 are designated as follows:

8 A-1: Complaint in Armstrong II.

9 A-2: Minute Order (stay order) dated March 23, 1993 in
10 Armstrong II.

11 A-3: Minute Order (preliminary injunction) dated May 28,
12 1992 in Armstrong II.

13 A-4: Notice of Appeal of preliminary injunction filed
14 July 30, 1992, in Second District Court of Appeal,
15 Case No. B 069 450.

16 A-5: Application for Order to Show Cause Why Gerald
17 Armstrong Should Not Be Held In Contempt filed in
18 Armstrong II.

19 A-6: Transcript of Proceedings of March 5, 1993 in
20 Armstrong II

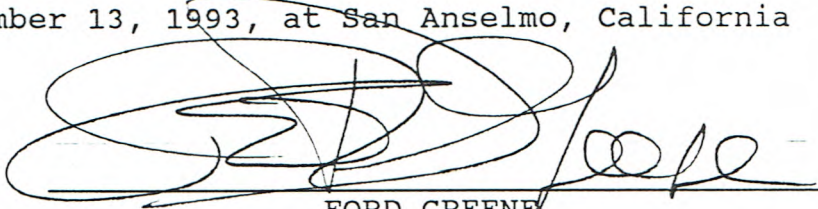
21 A-7: Notice of Motion for Preliminary Injunction and
22 supporting papers filed in Armstrong II.

23 D Notice of Motion and Motion to Strike Portions of
24 Complaint; Memorandum of Points and Authorities In
25 Support Thereof filed July 28, 1988 in Religious
26 Technology Center vs. Yanny, L.A.S.C. Case No. c
27 690 211.

28 ///

1 Under penalty of perjury pursuant to the laws of the State of
2 California I hereby declare that the foregoing is true and correct
3 according to my first-hand knowledge, except those matters stated
4 to be on information and belief, and as to those matters, I
5 believe them to be true.

6 Executed on September 13, 1993, at San Anselmo, California

7 
8
9 FORD GREENE

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 Andrew H. Wilson
2 WILSON, RYAN & CAMPILONGO
3 235 Montgomery Street
4 Suite 450
5 San Francisco, California 94104
6 (415) 391-3900

7 Laurie J. Bartilson
8 BOWLES & MOXON
9 6255 Sunset Boulevard
10 Suite 2000
11 Hollywood, California 90028
12 (213) 661-4030

RECEIVED

JUN 04 1992

HUB LAW OFFICES

13 Attorneys for Plaintiff
14 CHURCH OF SCIENTOLOGY INTERNATIONAL

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA

16 FOR THE COUNTY OF MARIN

17 CHURCH OF SCIENTOLOGY	)	Case No. BC 052395
18 INTERNATIONAL, a California)	
19 not-for-profit religious)	
20 corporation;	)	AMENDED VERIFIED COMPLAINT
21	)	FOR DAMAGES AND FOR
22 Plaintiff,	)	PRELIMINARY AND PERMANENT
23 vs.	)	INJUNCTIVE RELIEF FOR
24	)	BREACH OF CONTRACT
25)	
26 GERALD ARMSTRONG;)	
27 DOES 1-25 INCLUSIVE)	
28)	
29 Defendants.)	

30 Plaintiff, by its attorneys, Wilson, Ryan & Campilongo and
31 Bowles & Moxon, for its Amended Complaint, alleges:

32 NATURE OF THE ACTION

33 1. In violation of the express terms and spirit of a
34 settlement agreement ("the Agreement") entered into in December,
35 1986, defendant Gerald Armstrong ("Armstrong") has embarked on a
36 deliberate campaign designed to aid plaintiff's litigation
37 adversaries, breach the confidentiality provisions of the
38 Agreement, and foment litigation, hatred and ill-will toward
39 plaintiff.

1 2. Five years ago, plaintiff Church of Scientology
2 International ("CSI") entered into the Agreement with Armstrong,
3 on its own behalf and for the benefit of numerous third-party
4 beneficiaries. The Agreement provided for a mutual release and
5 waiver of all claims arising out of a cross-complaint which
6 defendant Armstrong had filed in the case of Church of
7 Scientology of California v. Gerald Armstrong, Los Angeles
8 Superior Court No. C 420153. Armstrong, a former Church member
9 who sought, by both litigation and covert means, to disrupt the
10 activities of his former faith, displayed through the years an
11 intense and abiding hatred for the Church, and an eagerness to
12 annoy and harass his former co-religionists by spreading enmity
13 and hatred among members and former members. Plaintiff sought,
14 with the Agreement, to end all of Armstrong's covert activities
15 against it, along with the litigation itself. For that reason,
16 the Agreement contained carefully negotiated and agreed-upon
17 confidentiality provisions and provisions prohibiting Armstrong
18 from fomenting litigation against plaintiff by third parties.
19 These provisions were bargained for by plaintiff to put an end to
20 the enmity and strife generated by Mr. Armstrong once and for
21 all.

22 3. This action arises out of deliberate and repeated
23 breaches by Armstrong of these and other express provisions of
24 the Agreement. Although plaintiff fully performed all of its
25 obligations under the Agreement, Armstrong never intended to keep
26 his part of the bargain and maintains that he considered the
27 referenced provisions to be unenforceable ab initio. As soon as
28 he finished spending the money he extracted from plaintiff as the

1 price of his signature, in June 1991, Armstrong began a
2 systematic campaign to foment litigation against plaintiff by
3 providing confidential information, copies of the Agreement,
4 declarations, and "paralegal" assistance to litigants actively
5 engaged in litigation against his former adversaries. Although
6 plaintiff has repeatedly demanded that Armstrong end his constant
7 and repeated breach of the provisions of the Agreement, Armstrong
8 appears to delight in renewing his annoying and harassing
9 activities, admitting to them in sworn declarations, and refusing
10 to end his improper liaisons.

11 4. With this Complaint, plaintiff seeks the Court's aid in
12 obtaining the peace for which it bargained more than five years
13 ago. Plaintiff requests liquidated damages pursuant to the terms
14 of the Agreement, as well as injunctive relief to prevent
15 additional and future breaches of the Agreement by Armstrong.

16 THE PARTIES

17 5. Plaintiff Church of Scientology International is a non-
18 profit religious corporation incorporated under the laws of the
19 State of California, having its principal offices in Los Angeles,
20 California. Plaintiff CSI is the Mother Church of the
21 Scientology religion.

22 6. Defendant Gerald Armstrong is a resident of Marin
23 County, California.

24 7. Plaintiff is ignorant of the names and capacities of
25 the defendants identified as DOES 1 through 25, inclusive, and
26 thus brings suit against those defendants by their true names
27 upon the ascertainment of their true names and capacities, and
28 their responsibility for the conduct alleged herein.

THE CONTRACT

1
2 8. On or about December 6, 1986, CSI and Armstrong entered
3 into a written confidential settlement Agreement, a true and
4 correct copy of which is attached hereto as Exhibit A, and
5 incorporated herein by reference.

6 9. The Agreement was entered into by plaintiff and
7 defendant Armstrong, with the participation of their respective
8 counsel after full negotiation. Each provision of the Agreement
9 was carefully framed by the parties and their counsel to
10 accurately reflect the agreement of the parties.

11 10. Plaintiff specifically negotiated for and obtained from
12 Armstrong the provisions in the Agreement delineated in
13 paragraphs 7(D), 7(H), 7(G), 10 and paragraphs 12 through 18,
14 because it was well aware, through investigation, that Armstrong
15 had undertaken a series of covert activities, apart from the
16 litigation, which were intended by Armstrong to discredit Church
17 leaders, spark government raids into the Churches, create phony
18 "evidence" of wrongdoing against the Churches, and, ultimately,
19 destroy the Churches and their leadership.

20 11. Contemporaneously with the signing of the Agreement,
21 Armstrong represented that he understood the Agreement's
22 provisions and was acting of his own free will and not under
23 duress. In later 1991, Armstrong revealed for the first time
24 that he believed at the time the Agreement was signed that the
25 provisions contained in Paragraphs 7(D), 7(H), 7(G), 10, 12 and
26 18 were unenforceable.

27 12. In November, 1984, Armstrong was plotting against the
28 Scientology Churches and seeking out staff members in the Church

1 who would be willing to assist him in overthrowing Church
2 leadership. The Church obtained information about Armstrong's
3 plans and, through a police-sanctioned investigation, provided
4 Armstrong with the "defectors" he sought. On four separate
5 occasions in November, 1984, Armstrong met with two individuals
6 that he considered to be defectors, whom he knew as "Joey" and
7 "Mike." In reality, both "Joey" and "Mike" were loyal Church
8 members who, with permission from the Los Angeles police, agreed
9 to have their conversations with Armstrong surreptitiously
10 videotaped. During the course of these conversations, Armstrong:

- 11 a. Demanded that "Joey" provide him with copies of
12 documents published by the Churches so that he
13 could forge documents in the same style.
14 Armstrong wanted "Joey" to then plant these
15 Armstrong creations in the Church's files so that
16 Armstrong could tip off the Internal Revenue
17 Service Criminal Investigations Division ("CID"),
18 and the incriminating documents would be found in
19 a resulting raid;
- 20 b. Sought to "set up" the defection of a senior
21 Scientologist by finding a woman to seduce him;
- 22 c. Told "Joey" all about his conversations with Al
23 Lipkin, an investigator for the L.A. CID, and
24 attempted to get "Joey" to call Lipkin and give
25 him false information that would implicate the
26 Church's leaders in the misuse of donations; and
- 27 d. Instructed "Mike" on the methods of creating a
28 lawsuit against the Church leadership based on

1 nothing at all:

2 ARMSTRONG: They can allege it. They can
3 allege it. They don't even have -- they can
4 allege it.

5 RINDER: So they don't even have to have the
6 document sitting in front of them and then --

7 ARMSTRONG: F__ing say the organization
8 destroys the documents.

9 * * *

10 Where are the -- we don't have to prove a
11 goddamn thing. We don't have to prove s__t;
12 we just have to allege it.

13 Given Armstrong's propensity to create trouble for the
14 Churches regardless of truth, the Churches naturally considered
15 such provisions to be an integral and necessary part of any
16 settlement.

17 13. The Agreement also provided that plaintiff CSI would
18 pay to Armstrong's attorney, Michael Flynn, a lump sum amount
19 intended to settle not just Armstrong's case, but the cases of
20 other clients of Mr. Flynn as well, and that Mr. Flynn would pay
21 to Armstrong a portion of that settlement amount. The exact
22 amount of the portion to be paid to Armstrong by Mr. Flynn was
23 maintained as confidential between Mr. Flynn and Armstrong.

24 14. CSI paid to Mr. Flynn the lump sum settlement amount.

25 15. Mr. Flynn paid to Armstrong his confidential portion of
26 the lump sum settlement amount.

27 16. The consideration paid to Armstrong was fair,
28 reasonable and adequate. Plaintiff CSI has performed all of its
obligations pursuant to the Agreement.

///

///

FIRST CAUSE OF ACTION

(Against Armstrong for Breach of Contract)

17. Plaintiff realleges paragraphs 1 - 16, inclusive, and incorporates them herein by reference.

18. Vicki and Richard Aznaran ("the Aznarans") are former Scientology parishioners currently engaged in litigation against, inter alia, RTC and CSI, in the case of Vicki J. Aznaran, et al. v. Church of Scientology of California, et al., United States District Court for the Central District of California, Case No. CV 88-1786 JMI (Ex).

19. In June, 1991, the Aznarans discharged their attorney, Ford Greene, and retained attorney Joseph A. Yanny to represent them.

20. While acting as the Aznarans' counsel, Yanny hired Gerald Armstrong as a paralegal to help Yanny on the Aznaran case.

21. In July, 1991, Armstrong agreed to travel from Marin County to Los Angeles and asked Yanny to pay him \$500 for his proposed help.

22. In July, 1991, Armstrong did travel to Los Angeles as he had agreed, stayed with Yanny on July 15 and July 16, 1991, and provided Yanny with paralegal assistance and a declaration for the Aznaran case.

23. Yanny is former counsel to CSI, and his substitution into the case was vacated by the Court sua sponte on July 24, 1991, the Court noting that Yanny's retention as the Aznarans' counsel was "highly prejudicial" to CSI.

24. Armstrong's acceptance of employment by Yanny to work

1 on the Aznarans' litigation is a direct violation of Paragraphs
2 7(G) and 10 of the Agreement.

3 25. As a direct and proximate result of Armstrong's breach
4 of the agreement by providing paralegal assistance to Yanny in
5 the Aznarans' litigation, plaintiff has incurred damages which
6 are not presently calculable. In no event, however, are they
7 less than the jurisdictional minimum of this Court. Consequently,
8 for this breach plaintiff seeks compensatory and consequential
9 damages according to proof.

10 SECOND CAUSE OF ACTION

11 (Against Armstrong for Breach of Contract)

12 26. Plaintiff realleges paragraphs 1-16, 18-25, inclusive,
13 and incorporates them herein by reference.

14 27. After Yanny entered his appearance in the Aznarans'
15 case and indicated to CSI's counsel that he represented Gerald
16 Armstrong as well, CSI brought suit against Yanny in the case of
17 Religious Technology Center, et al. v. Joseph A. Yanny, et al.,
18 Los Angeles Superior Court No. BC 033035 ("RTC v. Yanny"). In
19 that action, plaintiff sought and obtained a Temporary
20 Restraining Order and a Preliminary Injunction against Yanny,
21 which prohibit Yanny from aiding, advising, or representing,
22 directly or indirectly, the Aznarans or Armstrong, on any matters
23 relating to the plaintiff.

24 28. At the hearings before the Court on the temporary
25 restraining order and the injunction, Yanny filed two
26 declarations prepared and executed by Armstrong on July 16, 1991.
27 The declarations were offered by Yanny as part of Yanny's
28 defense, which was ultimately rejected by the Court when it

1 issued its injunction.

2 29. Armstrong's aid to Yanny in the RTC v. Yanny case is a
3 direct violation of Paragraphs 7(G) and 10 of the Agreement.

4 30. Armstrong attached as an exhibit to one of his July 16,
5 1991 declarations a copy of the Agreement, the terms of which he
6 had agreed, pursuant to paragraph 18(D), to keep confidential.
7 This disclosure of the terms of the Agreement is a violation of
8 its non-disclosure provisions, requiring that Armstrong pay to
9 CSI \$50,000 in liquidated damages.

10 31. Despite demand by plaintiff, Armstrong has failed and
11 refused to pay them the \$50,000 owed in liquidated damages for
12 this breach of the Agreement.

13 THIRD CAUSE OF ACTION

14 (Against All Defendants for Breach of Contract)

15 32. Plaintiff realleges paragraphs 1-16, 18-25, 27-31,
16 inclusive, and incorporates them herein by reference.

17 33. After Yanny's substitution into the Aznarans' case was
18 summarily vacated, Ford Greene was reinstated as the Aznarans'
19 counsel of record. Ford Greene's law offices are located in San
20 Anselmo, California.

21 34. On or about August, 1991, Armstrong began working in
22 Ford Greene's office as a paralegal on the Aznarans' case. When,
23 thereafter, the Aznarans hired attorney John Elstead to represent
24 them as well, Armstrong provided paralegal services to Elstead as
25 well as Greene. Armstrong's employment in Greene's office has
26 continued to the present. Armstrong's activities constitute a
27 daily and continuing breach of his contract, rendering
28 plaintiff's bargain a nullity.

1 35. Plaintiff CSI has already incurred, and continues to
2 incur, damages as a direct and proximate result of Armstrong's
3 provision of aid to Greene in the Aznarans' case. Those damages
4 are not presently calculable and will cease only when Armstrong
5 is ordered to stop his improper conduct. In no event, however,
6 are they less than the jurisdictional minimum of this Court.
7 Consequently, for this breach plaintiff seeks compensatory and
8 consequential damages according to proof.

9 FOURTH CAUSE OF ACTION

10 (Against All Defendants for Breach of Contract)

11 36. Plaintiff realleges paragraphs 1-16, 18-25, 27-31, 33-
12 35, inclusive, and incorporates them herein by reference.

13 37. In addition to the paralegal services which Armstrong
14 has provided to Ford Greene and John Elstead on the Aznarans'
15 litigation, Armstrong also provided the Aznarans with a
16 declaration, dated August 26, 1991, and filed in the Aznarans'
17 case. In that declaration, Armstrong describes some of his
18 alleged experiences with and concerning plaintiff, and purports
19 to authenticate copies of certain documents. These actions and
20 disclosures are violations of paragraphs 7(G), 7(H) and 10 of the
21 Agreement, requiring that Armstrong pay to CSI \$50,000 in
22 liquidated damages.

23 38. Despite demand by plaintiff, Armstrong has failed and
24 refused to comply with the liquidated damages provision by paying
25 \$50,000 to plaintiff as demanded for this breach of the
26 Agreement.

27 ///

28 ///

FIFTH CAUSE OF ACTION

(For Breach of Contract Against Armstrong)

39. Plaintiff realleges paragraphs 1-16, 18-25, 27-31, 33-35, and 37-38, inclusive, and incorporates them hereby reference.

40. On or about March 19, 1992, Armstrong, acting through Ford Greene as his agent, transmitted a press release to various members of the media, including the Cable News Network, San Francisco Chronicle, San Francisco Examiner, and the Marin County Independent Journal. A true and correct copy of the press release is attached hereto as Exhibit B. Said press release violated the Agreement in that it constituted disclosures by Armstrong, through Ford Greene as his agent, of his experiences with Scientology as prohibited by paragraph 2. The following are the excerpts from the press release which violate paragraph 2:

- a) "Can the Scientology organization purchase the free speech rights of Gerald Armstrong-the former in-house biographer researcher/archivist of cult leader, L. Ron Hubbard..."
- b) "A former high-ranking Scientologist for 12 years, Armstrong split with the group when it insisted he continue lying about the accomplishments Hubbard claimed to the public at large."
- c) "For years Scientology has treated Armstrong as a 'suppressive person' who was 'fair game.'"
- d) "Armstrong is resisting Scientology's high-powered attack in an effort to affirm his right to free speech to maintain vigilance for the truth."
- e) "(Scientology is) fabricating false scenarios in other court proceedings that Armstrong was an agent of the IRS out to destroy it."

41. In addition, the press release devotes an entire paragraph to a description of the lawsuit resulting from the Settlement Agreement and to a description of the Settlement Agreement itself:

1 "After Armstrong beat Scientology's lawsuit
2 against him in 1984, he was poised to
3 prosecute his own claims. For millions of
4 dollars, however, in 1986 Scientology settled
5 with he and over 17 other Scientology
6 knowledgeable individuals on the condition
7 that those persons would forever keep silent,
8 avoid giving sworn testimony by evading
9 subpoenas, and never aid or assist anyone
10 adverse to Scientology."

11 The distribution of the press release violated the provisions of
12 paragraphs 7(D) and 18 of the Agreement.

13 42. By reason of the foregoing breach by Armstrong,
14 plaintiff is entitled to \$50,000 in liquidated damages and
15 compensatory damages not presently known but believed to be in
16 excess of the jurisdictional minimum of this Court.

17 SIXTH CAUSE OF ACTION

18 (For Breach of Contract by Armstrong)

19 43. Plaintiff realleges paragraphs 1-16, 18-25, 27-31, 33-
20 35, 37-38, and 40-42, inclusive, and incorporates them hereby by
21 reference.

22 44. On or about March 19 and 20, 1992, Armstrong and
23 Greene, acting as Armstrong's agent, granted the media additional
24 interviews, which also violated paragraph 2 of the Agreement.
25 During the course of his interview with the Cable News Network,
26 for example, Armstrong stated, "I'm an expert in the
27 misrepresentations Hubbard has made about himself from the
28 beginning of Dianetics until the day he died." Attached hereto
and incorporated herein by reference as Exhibit C is a true and
correct transcription of the CNN broadcast which featured this
statement made voluntarily by Armstrong in a media interview.

45. By reason of the foregoing breach of the Agreement,
plaintiff is entitled to \$50,000 in liquidated damages.

SEVENTH CAUSE OF ACTION

(Against Armstrong for Breach of Contract)

46. Plaintiff realleges paragraphs 1-16, 18-25, 27-31, 33-35, 37-38, 40-42 and 44-45, inclusive and incorporates them herein by reference.

47. On or about February, 1992, Armstrong agreed to appear voluntarily as an "expert witness" in litigation known as Hunziker v. Applied Materials, No. 692629 S.C.S.C (the "Hunziker case"). The alleged subject of his "expertise" was Scientology. The defendants named in the Hunziker case include, inter alia, World Institute of Scientology Enterprises, Inc., which is a Scientology affiliated entity protected by the Agreement.

48. On or about February 21, 1992 and February 23, 1992, Armstrong met voluntarily with James Rummond and John Elstead, attorneys for the plaintiffs in the Hunziker case. During his meetings with these attorneys, Armstrong discussed his alleged history and experiences with plaintiff and with other Scientology entities and individuals protected by the Agreement, and offered to appear for the plaintiffs as an "expert" on the subject of Scientology practices and beliefs.

49. On March 3, 1992, Armstrong voluntarily, and without the issuance of a subpoena by anyone, appeared for deposition in the Hunziker case and accepted a fee for his testimony from the defendants in that case of \$1,000. During the course of the deposition, which lasted for approximately four hours, Armstrong testified at length concerning his alleged experiences with and concerning plaintiff and other Scientology affiliated entities and individuals protected by the Agreement, and concerning

1 knowledge and information which he claimed to have concerning
2 plaintiff and other Scientology affiliated entities and
3 individuals.

4 50. During his deposition on March 3, 1992, Armstrong
5 produced documents which he claimed to have reviewed in
6 preparation for his testimony, including documents referred to in
7 paragraph 46, supra, in violation of paragraph 7(D) of the
8 Agreement.

9 51. On or about March 12, 1992, Armstrong again appeared
10 for deposition in the Hunziker case. This time, Armstrong
11 claimed that he had been given a deposition subpoena not by the
12 deposing attorney, but by attorney Elstead, and that Elstead had
13 "filled out" the subpoena earlier that morning. Armstrong
14 refused to produce a copy of the alleged subpoena, which had not
15 been served on any of the parties to the case. In fact,
16 Armstrong himself requested that Elstead issue him a subpoena on
17 Sunday, March 8, 1992, after a temporary restraining order was
18 issued in this case. On March 8, 1992, Armstrong delivered
19 additional documents to Elstead, again in violation of paragraph
20 7(D) of the Agreement.

21 52. Plaintiff learned in April, 1992, through review of the
22 aforesaid deposition transcript, that since the signing of the
23 Agreement, Armstrong had "taken it upon [him]self" to reacquire
24 documents which he had previously returned to plaintiff "from
25 whatever source." He produced many of those documents
26 voluntarily, first to Elstead on March 8, 1992, and then to
27 opposing counsel during the March 12, 1992 deposition.

28 53. These actions and disclosures are violations of

1 Paragraphs 7(D), 7(G), 7(H) and 10 of the Agreement, requiring
2 that Armstrong pay to CSI \$250,000 in liquidated damages.

3 EIGHTH CAUSE OF ACTION

4 (Against Armstrong for Breach of Contract)

5 54. Plaintiff realleges paragraphs 1-16, 18-25, 27-31, 33-
6 35, 37-38, 40-42, 44-45, 47-52, inclusive, and incorporates them
7 herein by reference.

8 55. On or about April 7, 1992, while testifying in the
9 matter known as Church of Scientology v. Yanny, (No. BC 033035),
10 Armstrong made the Settlement Agreement sued upon herein an
11 exhibit to the deposition transcript. Said action was a breach
12 of paragraph 18(D) of the Agreement which prohibits disclosure of
13 the contents of the Agreement.

14 56. By reason of the foregoing breach of the Agreement,
15 Plaintiff is entitled to \$50,000 in liquidated damages, together
16 with compensatory damages in an amount not presently known to
17 plaintiff but believed to be in excess of the jurisdictional
18 minimum of this court.

19 NINTH CAUSE OF ACTION

20 (Against Armstrong for Beach of Contract)

21 57. Plaintiff realleges paragraphs 1-16, 18-25, 27-31, 33-
22 35, 37-38, 40-42, 44-45, 47-52, and 55, inclusive, and
23 incorporates them herein by reference.

24 58. In breach of the provision of paragraph 7(E) of the
25 Agreement, Armstrong failed to return a letter written by L. Ron
26 Hubbard to the Federal Bureau of Investigation in 1955 and an
27 internal communication known as "Technical Bulletin."

28 59. In breach of the provisions of paragraph 7(H) of the

1 Agreement, Armstrong gave a declaration in the Aznaran litigation
2 on August 26, 1991 in opposition to a motion to exclude expert
3 testimony.

4 60. Said declaration attached as exhibits the two documents
5 referred to in paragraph 58 above, in breach of the provisions of
6 Paragraph 7(D) of the Agreement.

7 61. By reason of the breaches by Armstrong in paragraphs
8 7(E) and 7(H) of the Agreement, plaintiff has been damaged in an
9 amount not presently known but believed to be in excess of the
10 jurisdictional minimum of this Court.

11 62. By reason of the breach by Armstrong of paragraph 7(D)
12 of the Agreement, plaintiff is entitled to liquidated damages in
13 the amount of \$50,000.

14 TENTH CAUSE OF ACTION

15 (Against Armstrong for Breach of Contract)

16 63. Plaintiff realleges paragraphs 1-16, 18-25, 27-31, 33-
17 35, 37-38, 40-42, 44-45, 47-52, 54-55 and 58-60, inclusive, and
18 incorporates them herein by reference.

19 64. Plaintiff learned in March, 1992, that during 1990 and
20 1991, Armstrong voluntarily provided aid and advice to Bent
21 Corydon and to Corydon's attorney, Toby Plevin, in the conduct of
22 litigation against plaintiff and affiliated entities in the case
23 of Bent Corydon v. Church of Scientology International, et al.,
24 Los Angeles Superior Court Case No. C 694401.

25 65. Armstrong's voluntary provision of aid to Plevin to
26 work on Corydon's litigation is a direct violation of paragraphs
27 7(G) and 10 of the Agreement.

28 66. As a direct and proximate result of Armstrong's breach

1 of the Agreement by providing voluntary assistance to Plevin in
2 Corydon's litigation, plaintiff has incurred damages which are
3 not presently calculable. In no event, however, are they less
4 than the jurisdictional minimum of this Court. Consequently, for
5 this breach plaintiff seeks compensatory and consequential
6 damages according to proof.

7 ELEVENTH CAUSE OF ACTION

8 (Against Armstrong for Breach of Contract)

9 67. Plaintiff realleges paragraphs 1-16, 18-25, 27-31, 33-
10 35, 37-38, 40-42, 44-45, 47-52, 54-55, 58-60, 64-65 inclusive,
11 and incorporates them herein by reference.

12 68. On May 27, 1992, after plaintiff's motion for
13 preliminary injunction in this matter had been argued, and while
14 a determination of that motion was still pending, Armstrong
15 voluntarily provided a declaration to Gary M. Bright and Jerold
16 Fagelbaum, attorneys for defendants David Mayo, Church of the New
17 Civilization, John Nelson, Harvey Haber, Vivien Zegel and Dede
18 Reisdorf in the consolidated cases of Religious Technology
19 Center, et al. v. Robin Scott, et al., and Religious Technology
20 Center, et al. v. Wollersheim, et al., United States District
21 Court for the Central District of California, Case Nos. CV 85-711
22 JMI (Bx) and CV 85-7197 JMI (Bx) (the "Scott case"). The
23 plaintiffs in the Scott case are plaintiff, Church of Scientology
24 International, Church of Scientology of California, and Religious
25 Technology Center, all entities specifically protected by the
26 Agreement.

27 69. In his May 27, 1992 declaration, Armstrong purports to
28 authenticate an earlier declaration which describes some of his

1 alleged experiences with and concerning plaintiff, as well as a
2 portion of a transcript which was ordered sealed in the earlier
3 action between plaintiff and defendant. These actions and
4 disclosures are violations of paragraphs 7(G), 7(H) and 10 of the
5 Agreement, requiring that Armstrong pay to CSI \$50,000 in
6 liquidated damages.

7 70. As a direct and proximate result of Armstrong's breach
8 of the Agreement by providing voluntary assistance to Bright and
9 Fagelbaum in the Scott case, plaintiff has incurred additional
10 damages which are not presently calculable. In no event,
11 however, are they less than the jurisdictional minimum of this
12 Court. Consequently, for this breach plaintiff also seeks
13 compensatory and consequential damages according to proof.

14 TWELFTH CAUSE OF ACTION

15 (Against All Defendants for Injunctive Relief)

16 71. Plaintiff realleges paragraphs 1-16, 18-25, 27-31, 33-
17 35, 37-38, 40-42, 44-45, 47-52, 54-55, 58-60, 64-65 and 68-69
18 inclusive, and incorporates them herein by reference.

19 72. As a direct and proximate result of Armstrong's breach
20 of the Agreement by providing assistance to Greene and Elstead in
21 the Aznarans' litigation, which breach is, on information and
22 belief, persistent and continuing, CSI is and will continue to be
23 irreparably harmed, and unless Armstrong and those acting in
24 concert with him are temporarily, preliminarily and permanently
25 enjoined from continuing that unlawful conduct, further
26 irreparable harm will be caused to CSI.

27 73. Further, as a direct and proximate result of
28 Armstrong's breach of the Agreement by providing assistance to

1 Yanny in Yanny's litigation, which breach is, on information and
2 belief, persistent and continuing, CSI is and will continue to be
3 irreparably harmed, and unless Armstrong and those acting in
4 concert with him are temporarily, preliminarily and permanently
5 enjoined from continuing that unlawful conduct, further
6 irreparable harm will be caused to CSI.

7 74. Further, as a direct and proximate result of
8 Armstrong's breach of the Agreement by providing assistance to
9 Elstead and Rummond in the Hunziker litigation, which breach is,
10 on information and belief, persistent and continuing, CSI is and
11 will continue to be irreparably harmed, and unless Armstrong and
12 those acting in concert with him are temporarily, preliminarily
13 and permanently enjoined from continuing that unlawful conduct,
14 further irreparable harm will be caused to CSI.

15 75. Further, as a direct and proximate result of
16 Armstrong's breach of the Agreement by providing assistance to
17 Fagelbaum and Bright in the Scott litigation, which breach is, on
18 information and belief, persistent and continuing, CSI is and
19 will continue to be irreparably harmed, and unless Armstrong and
20 those acting in concert with him are temporarily, preliminarily
21 and permanently enjoined from continuing that unlawful conduct,
22 further irreparable harm will be caused to CSI.

23 WHEREFORE, plaintiff prays for judgment as follows:

24 ON THE FIRST CAUSE OF ACTION

25 1. For compensatory and consequential damages according to
26 proof.

27 2. For attorneys' fees and costs of suit.

28 ///

ON THE SECOND CAUSE OF ACTION

1. For liquidated damages in the amount of \$50,000.
2. For attorneys' fees and costs of suit.

ON THE THIRD CAUSE OF ACTION

1. For compensatory and consequential damages according to proof.
2. For attorneys' fees and costs of suit.

ON THE FOURTH CAUSE OF ACTION

1. For liquidated damages in the amount of \$50,000.
2. For attorneys' fees and costs of suit.

ON THE FIFTH CAUSE OF ACTION

1. For liquidated damages in the amount of \$50,000.
2. For compensatory and consequential damages according to proof.
3. For attorneys' fees and costs of suit.

ON THE SIXTH CAUSE OF ACTION

1. For liquidated damages in the amount of \$50,000.
2. For attorney's fees and costs of suit.

ON THE SEVENTH CAUSE OF ACTION

1. For liquidated damages in the amount of \$250,000.
2. For attorneys' fees and costs of suit.

ON THE EIGHTH CAUSE OF ACTION

1. For liquidated damages in the amount of \$50,000.
2. For attorneys' fees and costs of suit.

ON THE NINTH CAUSE OF ACTION

1. For compensatory and consequential damages according to proof.
2. For liquidated damages in the sum of \$50,000.

3. For attorney's fees and costs of suit.

ON THE TENTH CAUSE OF ACTION

1. For compensatory and consequential damages according to proof.

2. For attorneys' fees and costs of suit.

ON THE ELEVENTH CAUSE OF ACTION

1. For compensatory and consequential damages according to proof.

2. For liquidated damages in the sum of \$50,000.

3. For attorney's fees and costs of suit.

ON THE TWELFTH CAUSE OF ACTION

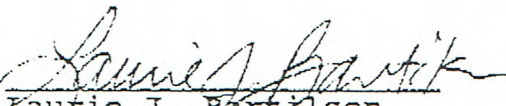
1. For a preliminary and permanent injunction prohibiting and restraining all defendants, including Armstrong, from violating any of the provisions of the Agreement, including the provisions of paragraphs 7(D), 7(E), 7(G), 7(H) and 18(D).

ON ALL CAUSES OF ACTION

1. For such other and further relief as the Court may deem just and proper.

DATED: June 4, 1992

BOWLES & MOXON

By: 
Laurie J. Bartilson

Andrew H. Wilson
WILSON, RYAN & CAMPILONGO

Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY
INTERNATIONAL

MUTUAL RELEASE OF ALL CLAIMS AND SETTLEMENT AGREEMENT

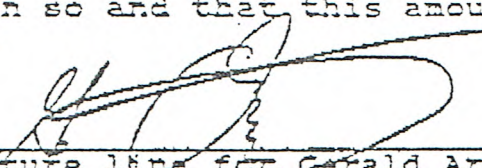
1. This Mutual Release of All Claims and Settlement Agreement is made between Church of Scientology International (hereinafter "CSI") and Gerald Armstrong, (hereinafter "Plaintiff") Cross-Complainant in Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153. By this Agreement, Plaintiff hereby specifically waives and releases all claims he has or may have from the beginning of time to and including this date, including all causes of action of every kind and nature, known or unknown for acts and/or omissions against the officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel of CSI as well as the Church of Scientology of California, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Religious Technology Center, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; all Scientology and Scientology affiliated organizations and entities and their officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Author Services, Inc., its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and its trustee; and Mary Sue Hubbard, (all hereinafter collectively referred to as the

"Releasees"). The parties to this Agreement hereby agree as follows:

2. It is understood that this settlement is a compromise of doubtful and disputed claims, and that any payment is not to be construed, and is not intended, as an admission of liability on the part of any party to this Agreement, specifically, the Releasees, by whom liability has been and continues to be expressly denied. In executing this settlement Agreement, Plaintiff acknowledges that he has released the organizations, individuals and entities listed in the above paragraph, in addition to those defendants actually named in the above lawsuit, because among other reasons, they are third party beneficiaries of this Agreement.

3. Plaintiff has received payment of a certain monetary sum which is a portion of a total sum of money paid to his attorney, Michael J. Flynn. The total sum paid to Mr. Flynn is to settle all of the claims of Mr. Flynn's clients. Plaintiff's portion of said sum has been mutually agreed upon by Plaintiff and Michael J. Flynn. Plaintiff's signature below this paragraph acknowledges that Plaintiff is completely satisfied with the monetary consideration negotiated with and received by Michael J. Flynn. Plaintiff acknowledges that there has been a block settlement between Plaintiff's attorney, Michael J. Flynn, and the Church of Scientology and Churches and entities related to the Church of Scientology, concerning all of Mr. Flynn's clients who were in litigation with any Church of Scientology or related entity. Plaintiff has received a portion of this block.

amount, the receipt of which he hereby acknowledges. Plaintiff understands that this amount is only a portion of the block settlement amount. The exact settlement sum received by Plaintiff is known only to Plaintiff and his attorney, Michael J. Flynn, and it is their wish that this remain so and that this amount remain confidential.



Signature line for Gerald Armstrong

4. For and in consideration of the above described consideration, the mutual covenants, conditions and release contained herein, Plaintiff does hereby release, acquit and forever discharge, for himself, his heirs, successors, executors, administrators and assigns, the Releasees, including Church of Scientology of California, Church of Scientology International, Religious Technology Center, all Scientology and Scientology affiliated organizations and entities, Author Services, Inc. (and for each organization or entity, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel); L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and trustee; and Mary Sue Hubbard, and each of them, of and from any and all claims, including, but not limited to, any claims or causes of action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153 and all demands, damages, actions and causes of actions of every kind and nature, known or unknown,

for or because of any act or omission allegedly done by the Releasees, from the beginning of time to and including the date hereof. Therefore, Plaintiff does hereby authorize and direct his counsel to dismiss with prejudice his claims now pending in the above referenced action. The parties hereto will execute and cause to be filed a joint stipulation of dismissal in the form of the one attached hereto as Exhibit "A".

A. It is expressly understood by Plaintiff that this release and all of the terms thereof do not apply to the action brought by the Church of Scientology against Plaintiff for Conversion, Fraud and other causes of action, which action has already gone to trial and is presently pending before the Second District, Third Division of the California Appellate Court (Appeal No. B005912). The disposition of those claims are controlled by the provisions of the following paragraph hereinafter.

B. As of the date this settlement Agreement is executed, there is currently an appeal pending before the California Court of Appeal, Second Appellate District, Division 3, arising out of the above referenced action delineated as Appeal No. B005912. It is understood that this appeal arises out of the Church of Scientology's complaint against Plaintiff which is not settled herein. This appeal shall be maintained notwithstanding this Agreement. Plaintiff agrees to waive any rights he may have to take any further appeals from any decision eventually reached by the Court of Appeal or any rights he may have to oppose (by responding brief or any other means) any further appeals taken by the Church of

Scientology of California. The Church of Scientology of California shall have the right to file any further appeals it deems necessary.

5. For and in consideration of the mutual covenants, conditions and release contained herein, and Plaintiff dismissing with prejudice the action Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153, the Church of Scientology of California does hereby release, acquit and forever discharge for itself, successors and assigns, Gerald Armstrong, his agents, representatives, heirs, successors, assigns, legal counsel and estate and each of them, of and from any and all claims, causes of action, demands, damages and actions of every kind and nature, known or unknown, for or because of any act or omission allegedly done by Gerald Armstrong from the beginning of time to and including the date hereof.

6. In executing this Agreement, the parties hereto, and each of them, agree to and do hereby waive and relinquish all rights and benefits afforded under the provisions of Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

7. Further, the undersigned hereby agree to the following:

A. The liability for all claims is expressly denied by the parties herein released, and this final compromise and

settlement thereof shall never be treated as an admission of liability or responsibility at any time for any purpose.

B. Plaintiff has been fully advised and understands that the alleged injuries sustained by him are of such character that the full extent and type of injuries may not be known at the date hereof, and it is further understood that said alleged injuries, whether known or unknown at the date hereof, might possibly become progressively worse and that as a result, further damages may be sustained by Plaintiff; nevertheless, Plaintiff desires by this document to forever and fully release the Releasees. Plaintiff understands that by the execution of this release no further claims arising out of his experience with, or actions by, the Releasees, from the beginning of time to and including the date hereof, which may now exist or which may exist in the future may ever be asserted by him or on his behalf, against the Releasees.

C. Plaintiff agrees to assume responsibility for the payment of any attorney fee, lien or liens, imposed against him past, present, or future, known or unknown, by any person, firm, corporation or governmental entity or agency as a result of, or growing out of any of the matters referred to in this release. Plaintiff further agrees to hold harmless the parties herein released, and each of them, of and from any liability arising therefrom.

D. Plaintiff agrees never to create or publish or attempt to publish, and/or assist another to create for publication by means of magazine, article, book or other

similar form, any writing or to broadcast or to assist another to create, write, film or video tape or audio tape any show, program or movie, or to grant interviews or discuss with others, concerning their experiences with the Church of Scientology, or concerning their personal or indirectly acquired knowledge or information concerning the Church of Scientology, L. Ron Hubbard or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff further agrees that he will maintain strict confidentiality and silence with respect to his experiences with the Church of Scientology and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff expressly understands that the non-disclosure provisions of this subparagraph shall apply, inter alia, but not be limited, to the contents or substance of his complaint on file in the action referred to in Paragraph 1 hereinabove or any documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard, or any of the organizations, individuals, or entities listed in Paragraph 1 above. The attorneys for Plaintiff, subject to the ethical limitations restraining them as promulgated by the state or federal regulatory associations or agencies, agree not to disclose any of the terms and conditions of the settlement negotiations, amount of the

settlement, or statements made by either party during settlement conferences. Plaintiff agrees that if the terms of this paragraph are breached by him, that CSI and the other Releasees would be entitled to liquidated damages in the amount of \$50,000 for each such breach. All monies received to induce or in payment for a breach of this Agreement, or any part thereof, shall be held in a constructive trust pending the outcome of any litigation over said breach. The amount of liquidated damages herein is an estimate of the damages that each party would suffer in the event this Agreement is breached. The reasonableness of the amount of such damages are hereto acknowledged by Plaintiff.

E. With exception to the items specified in Paragraph 7(L), Plaintiff agrees to return to the Church of Scientology International at the time of the consummation of this Agreement, all materials in his possession, custody or control (or within the possession, custody or control of his attorney, as well as third parties who are in possession of the described documents), of any nature, including originals and all copies or summaries of documents defined in Appendix "A" to this Agreement, including but not limited to any tapes, computer disks, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above, all evidence of any nature, including evidence obtained from the named defendants through discovery, acquired for the purposes of this lawsuit or any lawsuit, or acquired for any other purpose

concerning any Church of Scientology, any financial or administrative materials concerning any Church of Scientology, and any materials relating personally to L. Ron Hubbard, his family, or his estate. In addition to the documents and other items to be returned to the Church of Scientology International listed above and in Appendix "A", Plaintiff agrees to return the following:

(a) All originals and copies of the manuscript for the work "Excalibur" written by L. Ron Hubbard;

(b) All originals and copies of documents commonly known as the "Affirmations" written by L. Ron Hubbard; and

(c) All documents and other items surrendered to the Court by Plaintiff and his attorneys pursuant to Judge Cole's orders of August 24, 1982 and September 4, 1982 and all documents and other items taken by the Plaintiff from either the Church of Scientology or Omar Garrison. This includes all documents and items entered into evidence or marked for identification in Church of Scientology of California v. Gerald Armstrong, Case No. C 420 153. Plaintiff and his attorney will execute a Joint Stipulation or such other documents as are necessary to obtain these documents from the Court. In the event any documents or other items are no longer in the custody or control of the Los Angeles Superior Court, Plaintiff and his counsel will assist the Church in recovering these documents as quickly as possible, including but not limited to those tapes and other documents now in the possession of the United States District Court in the case of United States v. Zolin, Case No. CV

85-0440-HLE(TX), presently on appeal in the Ninth Circuit Court of Appeals. In the event any of these documents are currently lodged with the Court of Appeal, Plaintiff and his attorneys will cooperate in recovering those documents as soon as the Court of Appeal issues a decision on the pending appeal.

To the extent that Plaintiff does not possess or control documents within categories A-C above, Plaintiff recognizes his continuing duty to return to CSI any and all documents that fall within categories A-C above which do in the future come into his possession or control.

F. Plaintiff agrees that he will never again seek or obtain spiritual counselling or training or any other service from any Church of Scientology, Scientologist, Dianetics or Scientology auditor, Scientology minister, Mission of Scientology, Scientology organization or Scientology affiliated organization.

G. Plaintiff agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organizations aligned against Scientology.

H. Plaintiff agrees not to testify or otherwise participate in any other judicial, administrative or legislative proceeding adverse to Scientology or any of the Scientology Churches, individuals or entities listed in Paragraph 1 above unless compelled to do so by lawful subpoena or other lawful process. Plaintiff shall not make

himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. Unless required to do so by such subpoena, Plaintiff agrees not to discuss this litigation or his experiences with and knowledge of the Church with anyone other than members of his immediate family. As provided hereinafter in Paragraph 15(d), the contents of this Agreement may not be disclosed.

I. The parties hereto agree that in the event of any future litigation between Plaintiff and any of the organizations, individuals or entities listed in Paragraph 1 above, that any past action or activity, either alleged in this lawsuit or activity similar in fact to the evidence that was developed during the course of this lawsuit, will not be used by either party against the other in any future litigation. In other words, the "slate" is wiped clean concerning past actions by any party.

J. It is expressly understood and agreed by Plaintiff that any dispute between Plaintiff and his counsel as to the proper division of the sum paid to Plaintiff by his attorney of record is between Plaintiff and his attorney of record and shall in no way affect the validity of this Mutual Release of All Claims and Settlement Agreement.

K. Plaintiff hereby acknowledges and affirms that he is not under the influence of any drug, narcotic, alcohol or other mind-influencing substance, condition or ailment such that his ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected.

L. Notwithstanding the provisions of Paragraph 7(E) above, Plaintiff shall be entitled to retain any artwork created by him which concerns or relates to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above provided that such artwork never be disclosed either directly or indirectly, to anyone. In the event of a disclosure in breach of this Paragraph 7(L), Plaintiff shall be subject to the liquidated damages and constructive trust provisions of Paragraph 7(D) for each such breach.

8. Plaintiff further agrees that he waives and relinquishes any right or claim arising out of the conduct of any defendant in this case to date, including any of the organizations, individuals or entities as set forth in Paragraph 1 above, and the named defendants waive and relinquish any right or claim arising out of the conduct of Plaintiff to date.

9. This Mutual Release of All Claims and Settlement Agreement contains the entire agreement between the parties hereto, and the terms of this Agreement are contractual and not a mere recital. This Agreement may be amended only by a written instrument executed by Plaintiff and CSI. The parties hereto have carefully read and understand the contents of this Mutual Release of All Claims and Settlement Agreement and sign the same of their own free will, and it is the intention of the parties to be legally bound hereby. No other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically

incorporated herein shall be deemed to in any way exist or bind any of the parties hereto.

10. Plaintiff agrees that he will not assist or advise anyone, including individuals, partnerships, associations, corporations, or governmental agencies contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any entity or class of persons listed above in Paragraph 1 of this Agreement.

11. The parties to this Agreement acknowledge the following:

A. That all parties enter into this Agreement freely, voluntarily, knowingly and willingly, without any threats, intimidation or pressure of any kind whatsoever and voluntarily execute this Agreement of their own free will;

B. That all parties have conducted sufficient deliberation and investigation, either personally or through other sources of their own choosing, and have obtained advice of counsel regarding the terms and conditions set forth herein, so that they may intelligently exercise their own judgment in deciding whether or not to execute this Agreement; and

C. That all parties have carefully read this Agreement and understand the contents thereof and that each reference in this Agreement to any party includes successors, assigns, principals, agents and employees thereof.

12. Each party shall bear its respective costs with respect to the negotiation and drafting of this Agreement and

all acts required by the terms hereof to be undertaken and performed by that party.

13. To the extent that this Agreement inures to the benefit of persons or entities not signatories hereto, this Agreement is hereby declared to be made for their respective benefits and uses.

14. The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

15. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16. In the event any provision hereof be unenforceable, such provision shall not affect the enforceability of any other provision hereof.

17. All references to the plural shall include the singular and all references to the singular shall include the plural. All references to gender shall include both the masculine and feminine.

18.(A) Each party warrants that they have received independent legal advice from their attorneys with respect to the advisability of making the settlement provided for herein and in executing this Agreement.

(B) The parties hereto (including any officer, agent, employee, representative or attorney of or for any party) acknowledge that they have not made any statement,

representation or promise to the other party regarding any fact material to this Agreement except as expressly set forth herein. Furthermore, except as expressly stated in this Agreement, the parties in executing this Agreement do not rely upon any statement, representation or promise by the other party (or of any officer, agent, employee, representative or attorney for the other party).

(C) The persons signing this Agreement have the full right and authority to enter into this Agreement on behalf of the parties for whom they are signing.

(D) The parties hereto and their respective attorneys each agree not to disclose the contents of this executed Agreement. Nothing herein shall be construed to prevent any party hereto or his respective attorney from stating that this civil action has been settled in its entirety.

(E) The parties further agree to forbear and refrain from doing any act or exercising any right, whether existing now or in the future, which act or exercise is inconsistent with this Agreement.

19. Plaintiff has been fully advised by his counsel as to the contents of this document and each provision hereof. Plaintiff hereby authorizes and directs his counsel to dismiss with prejudice his claims now pending in the action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153.

20. Notwithstanding the dismissal of the lawsuit pursuant to Paragraph 4 of this Agreement, the parties hereto agree that the Los Angeles Superior Court shall retain

jurisdiction to enforce the terms of this . . . Agreement. This Agreement may be enforced by any legal or equitable remedy, including but not limited to injunctive relief or declaratory judgment where appropriate. In the event any party to this Agreement institutes any action to preserve, to protect or to enforce any right or benefit created hereunder, the prevailing party in any such action shall be entitled to the costs of suit and reasonable attorney's fees.

21. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

Dated: December 6, 1985

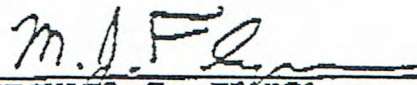

GERALD ARMSTRONG


Witness

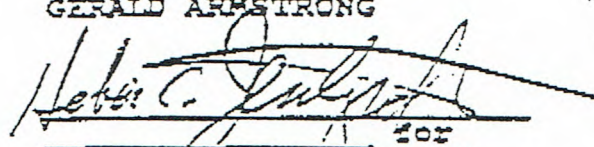

Witness

Dated: 12/6/86

APPROVED AS TO FORM AND
CONTENT:


MICHAEL J. FLYNN
Attorney for
GERALD ARMSTRONG

Dated: December 11, 1986


for
CHURCH OF SCIENTOLOGY
INTERNATIONAL

APPENDIX A

1. As used herein, the term "document" or "documents" include but are not limited to all originals, file copies and copies not identical to the original, no matter how prepared, of all writings, papers, notes, records, books and other tangible things including, by way of example and not of limitation, the following:

a. Memoranda, notes, calendars, appointment books, shorthand or stenographer's notebooks, correspondence, letters and telegrams, whether received, sent, filed or maintained internally;

b. Drafts and notes, whether typed, penciled or otherwise; whether or not used;

c. Minutes, reports and summaries of meetings;

d. Contracts, agreements, understandings, commitments, proposals and other business dealings;

e. Recordings, transcriptions and memoranda or notes made of any telephone or face-to-face oral conversations between or among persons;

f. Dictated tapes or other sound recordings;

g. Computer printouts or reports and the applicable program or programs therefor;

h. Tapes, cards or any other means by which data are stored or preserved electrically, electronically, magnetically or mechanically, and the applicable program or program therefor (from which plaintiff may reproduce or cause to be reproduced such data in written form);

i. Pictures, drawings, photographs, charts or other graphic representations;

j. Checks, bills, notes, receipts, or other evidence of payment;

k. Ledgers, journals, financial statements, accounting records, operating statements, balance sheets and statements of account.

WHERE: Marin Superior Court, San Rafael Civic Center -
Scientology vs. Armstrong No. 153229

March 20, 1992 at 9:00 a.m., Department 4.

* * * * *

Can the Scientology Organization purchase the free speech rights of Gerald Armstrong - the former in-house biography researcher/archivist of cult leader L. Ron Hubbard - so that it can keep the facts that he knows out of public view in the marketplace of ideas?

A former high-ranking Scientologist for 12 years, Armstrong split with the group when it insisted he continue lying about the accomplishments Hubbard claimed to the public at large. In 1982, the organization sued Armstrong for sending Hubbard documents to his lawyers. In 1984 at Armstrong's trial, Los Angeles Superior Court judge Paul G. Brackenridge, Jr., who ruled that Armstrong's actions had been manifestly justified, also found:

"In addition to violating and abusing its own members civil rights, the organization over the years with its "Fair Game" doctrine has harassed and abused these persons not in the Church whom it perceives as enemies. The organization is clearly schizophrenic and paranoid, and this bizarre combination seems to be a reflection of its founder LRH [L. Ron Hubbard]. The evidence portrays a man who has been virtually a pathological liar when it comes to his history, background, and achievements. The writings and documents in evidence additionally reflect his egoism, greed, avarice, lust for power, and vindictiveness and aggressiveness against persons perceived by him to be disloyal or hostile."

For years, Scientology has treated Armstrong as a "suppressive person" who was "Fair Game." This policy says as Fair Game one

"may be deprived of property or injured by any means by any Scientologist without any discipline of the Scientologist. May be tricked, sued or lied to or destroyed."

Defended by Ford Greene - the lawyer who persuaded the California Supreme Court that the Unification Church (Moonies) should be liable for brainwashing and who won an acquittal for a felonious-charged deprogrammer on the ground that the kidnapping was necessary to avoid cult-danger - Armstrong is resisting Scientology's high-powered attack in an effort to affirm his right to free speech to maintain vigilance for the truth.

After Armstrong beat Scientology's lawsuit against him in 1984, he was poised to prosecute his own claims. For millions of dollars, however, in 1988 Scientology settled with him and over 17 other Scientology-knowledgeable individuals on the condition that those persons would forever keep silent, avoid giving sworn testimony by evading subpoenas, and never aid or assist any one adverse to Scientology.

Between its full-page daily ads in U.S.A. Today and purchasing the silence of judicially-credible adversaries, Scientology's strategy is to eliminate the competition in the marketplace of ideas for those who would swallow the claims of its widespread advertisements for the benefits of Dianetics: The Science of Mental Health.

Scientology has demanded that newly-elevated Marin County Superior Court Judge Michael Bufficy give them a preliminary injunction which would prevent Armstrong from speaking out and assisting other individuals locked in litigation with Scientology - while at the same time fabricating false scenarios in other court proceedings that Armstrong was an agent of the IRS out to destroy it. If Scientology has its way, Armstrong would either roll over, or if he exposed its lies about him, Scientology would demand he be jailed for contempt of court.

When Scientology first came to Marin County to go after Armstrong, it asked the Court to conduct all proceedings in secret in closed proceedings. The Court refused. Then Scientology asked the Court to seal the settlement agreement that Scientology wants the Court to enforce. The Court refused. Now, Scientology has obtained a temporary restraining order compelling Armstrong not to speak out on the subject of Scientology. Scientology would like to make it permanent and will attempt to do just that at the March 20th Marin Superior Court hearing.

FOR FURTHER INFORMATION CALL:

KIRK SEIDEL, Press Liaison
(415) 457-5711

FORD GREENE (415) 258-0360

HEADLINE NEWS

[SHOT: Studio setting]

NARRATOR: A former member of the Church of Scientology claims he has damaging information about the organization, but he's being silenced by a Court Order. Don Nab explains.

[CNN CAPTION: SCIENTOLOGY.]

[SHOT: Close up of Armstrong with Ford Greene behind him. Then a pan of the courtroom, with attorney Andy Wilson arguing and a shot of the Judge.]

Don Nab: Gerald Armstrong says he knows a lot about the Church of Scientology and he's fighting in court for the chance to tell it. A former archivist of the organization he had first hand access to records of Scientology's controversial founder, L. Ron Hubbard.

[SHOT: Close up of Armstrong in an office. Don Nab narrating]

Gerald Armstrong: I'm an expert in the misrepresentations Hubbard has made about himself from the beginning of Dianetics until the day he died.

Don Nab: But that's about all that he can say legally. The Church of Scientology slapped Armstrong with a Court Order to prevent him from talking about what he may know.

[SHOT: Excerpt of Video tape of 1986 settlement signing.]

Heller: You are going to sign this of your own free will.

Armstrong: Yes.

[CNN caption: December 1986.]

Heller: OK. You're not suffering from any duress or coercion which is compelling you to sign this document.

[CNN CAPTION: Video provided by Anti-Scientology Attorney.]

Armstrong: No.

Heller: Alright, ...

Don Nab: As part of the lawsuit settlement documented by Scientology on this video tape, the Church paid Armstrong \$800,000. In that settlement Armstrong agreed not talk about the Church, it's documents, or its founder.

[1ST SHOT: Wilson and Hertzberg sitting at counsel table.]

[2ND SHOT: Greene arguing at counsel table.]

Don Nab: Now, the Church of Scientology wants to block Armstrong from working with anti-Scientology attorney, Ford Greene.

Ford Greene: Gerald Armstrong possesses information about the Church of Scientology on first-hand basis that undercuts a lot of the claims that they make to the public on a daily basis in advertisements on TV and advertisements in newspapers.

[CNN CAPTION: Ford Greene, Anti-Scientology Attorney.]

[SHOT: Bartilson at counsel table with a stack of papers.]

Don Nab: Greene hired Armstrong as a paralegal, to help him with a lawsuit against Scientology in Los Angeles.

[SHOT: Wilson arguing at counsel table.]

Don Nab: Attorneys for the Church of Scientology claimed that Armstrong was breaking his settlement contract.

Andy Wilson: \$800,000. \$800,000 was paid to that man. And now that he's spent the money, he comes into this court and he says, "I don't have to keep my part of the bargain."

[CNN CAPTION: Andrew Wilson, Scientology Attorney.]

[SHOT: Judge Dufficy at Bench.]

Don Nab: Scientology won this round. The gag on Armstrong remains, for now.

[SHOT: Close up of Armstrong at counsel table.]

Don Nab: Armstrong is not alone. 12 former Scientology members have accepted money to settle lawsuits with the Church.

[SHOT: Pleading packs on counsel table.]

Don Nab: The settlements included, promises to remain quiet and take no part in further litigation against the Church.

[SHOT: Greene in law office.]

Ford Greene: It'll be extremely damaging because Scientology has spent a whole ton of dough, on keeping not only Gerry silent but a lot of other people silent. And if Gerry's case unravels, it's the first domino, and all the rest of them are going to unravel ...

[SHOT: Green in law office with interviewer.]

Don Nab: Attorney Greene says, Armstrong's knowledge of Scientology can prove the Church is not what it says it is.

[SHOT: Outside of the Courtroom. Armstrong and Phippeny prominent.]

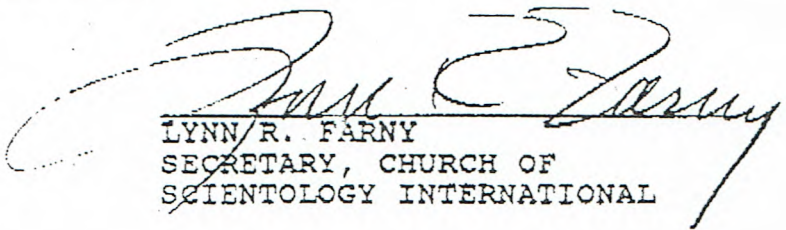
Don Nab: Scientology says, Armstrong accepted a lot of money not to discuss the Church and should keep his word. Don Nab, CNN, San Raphael, California.

VERIFICATION

I, Lynn R. Farny, am the Secretary of the Church of Scientology International, plaintiff in this action. I have read the foregoing AMENDED VERIFIED COMPLAINT FOR DAMAGES AND FOR PRELIMINARY AND PERMANENT INJUNCTIVE RELIEF FOR BREACH OF CONTRACT and know the content thereof.

The same is true of my own knowledge, except as to those matters which are therein stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 4th day of June, 1992, at Los Angeles, California.


LYNN R. FARNY
SECRETARY, CHURCH OF
SCIENTOLOGY INTERNATIONAL

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Blvd., Suite 2000, Hollywood, CA 90028.

On June 4, 1992, I served the foregoing document described as AMENDED VERIFIED COMPLAINT FOR DAMAGES AND FOR PRELIMINARY AND PERMANENT INJUNCTIVE RELIEF FOR BREACH OF CONTRACT on interested parties in this action as follows:

[] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;

[X] by placing [] the original [X] a true copy thereof in a sealed envelope addressed as follows:

Graham Berry BY U.S. MAIL
Lewis, D'Amato, Brisbois & Bisgaard
221 N. Figueroa St. Suite 1200
Los Angeles, CA 90012

[X] BY MAIL

[] *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

[X] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit.

Executed on June 4, 1992 at Los Angeles, California.

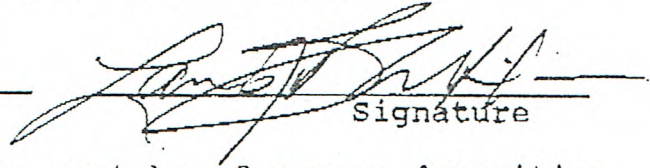
[] **(BY PERSONAL SERVICE) I delivered such envelopes by hand to the offices of the addressee.

Executed on _____ at Los Angeles, California.

[X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.

[] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Laurie J. Badt


Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

** (For personal service signature must be that of messenger)

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Blvd., Suite 2000, Hollywood, CA 90028.

On June 4, 1992, I served the foregoing document described as AMENDED VERIFIED COMPLAINT FOR DAMAGES AND FOR PRELIMINARY AND PERMANENT INJUNCTIVE RELIEF FOR BREACH OF CONTRACT on interested parties in this action as follows:

[] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;

[X] by placing [] the original [X] a true copy thereof in a sealed envelope addressed as follows:

Paul Morantz BY HAND
P.O. Box 511
Pacific Palisades, CA 90272

[] BY MAIL

[] *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

[] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit.

Executed on June 4, 1992 at Los Angeles, California.

☒ ** (BY PERSONAL SERVICE) I delivered such envelopes by hand to the offices of the addressee.

Executed on June 4, 1992 at Los Angeles, California.

☒ (State) I declare under penalty of the laws of the State of California that the above is true and correct.

☐ (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

** (For personal service signature must be that of messenger)

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 235 Montgomery Street, Suite 450, San Francisco, CA 94104.

On June 4, 1992, I served the foregoing document described as AMENDED VERIFIED COMPLAINT FOR DAMAGES AND FOR PRELIMINARY AND PERMANENT INJUNCTIVE RELIEF FOR BREACH OF CONTRACT on interested parties in this action as follows:

☐ by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;

☒ by placing ☐ the original ☒ a true copy thereof in a sealed envelope addressed as follows:

Ford Greene BY HAND
Hub Law Offices
711 Sir Francis Drake Boulevard
San Anselmo, CA 9490-1949

☐ BY MAIL

☐ *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

☐ As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit.

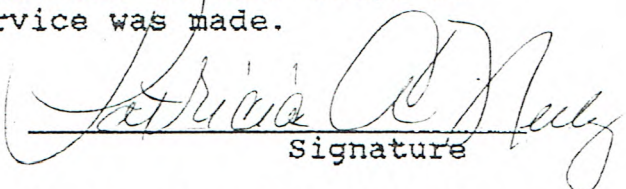
Executed on 6-4-92 at San Francisco ~~Los Angeles~~, California.

☒ ** (BY PERSONAL SERVICE) I delivered such envelopes by hand to the offices of the addressee.

Executed on June 4, at San Francisco, California.

☒ (State) I declare under penalty of the laws of the State of California that the above is true and correct.

☐ (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.



Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

** (For personal service signature must be that of messenger)

SUPERIOR COURT OF CALIFORNIA , COUNTY OF LOS ANGELES

Date: March 23, 1993

Honorable DAVID A. HOROWITZ

, Judge
, Deputy Sheriff
, C. S. L.S. ROBLES
B. CHARLINE HOWELL, Deputy Clerk
, Reporter
, E/R Monitor

8 C. AGUIRRE

BC052395

(Parties and Counsel checked if present)

CHURCH OF SCIENTOLOGY, ETC

Counsel For LAURIE BARTILSON (x)
Plaintiff ANDREW WILSON (x)

VS

GERALD ARMSTRONG

Counsel For FORD GREENE (x)
Defendant

NATURE OF PROCEEDINGS:

MOTION OF DEFENDANT, GERALD ARMSTRONG, FOR STAY OR IN THE ALTERNATIVE, FOR AN EXTENSION OF TIME TO OPPOSE MOTIONS FOR SUMMARY ADJUDICATION;

D, Mot for stay of proceedings GRANTED. The action is stayed under CCP 916. Counsel are ordered to report any decision by the Court of Appeal to this Department, in writing, within one day of the issuance of the opinion so that this Court may lift the stay.

"...an appeal stays proceedings in the trial court upon the order appealed from or upon the matters embraced therein or affected thereby..." CCP 916. As the Church has stated in its Summary Adjudication motions, "The facts are undisputed, however, that Armstrong has breached the Agreement repeatedly and deliberately. Because of these breaches, a preliminary injunction was issued by the Court on May 28, 1992." Obviously, the validity of the Agreement is the basis for the preliminary injunction. One of the basis for the appeal is an attack on the legality and validity of the Agreement.

The central issue of this case is the legality and validity of the Agreement. The Court of Appeal could certainly reach that issue in its determination of the validity of the injunction. If it does, that ruling could be determinative of many of the issues of this case. It makes no sense to proceed with this matter until the Court of Appeal makes its ruling.

Any and all matters set in this department, including but not limited to the Motions set for 3/31/93, the Final Status Conference of 4/23/93 and the Trial of 5/3/93, are each advanced and vacated.

Defendant shall give notice.

CHIVISOR

1:55 PM

RECEIVED

AUG 01 1992

HUB LAW OFFICES

HUB LAW OFFICES
Ford Greene, Esquire
California State Bar No. 107601
711 Sir Francis Drake Boulevard
San Anselmo, California 94960-1949
Telephone: (415) 258-0360

PAUL MORANTZ, ESQ.
P.O. Box 511
Pacific Palisades, CA 90272
(213) 459-4745

Attorneys for Defendant
GERALD ARMSTRONG

ORIGINAL FILED

JUL 30 1992

LOS ANGELES
SUPERIOR COURT

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENOTOLOGY)
INTERNATIONAL, a California)
not-for-profit religious)
corporation;)

Plaintiffs,)

vs.)

GERALD ARMSTRONG; DOES 1)
through 25, inclusive,)

Defendants.)

No. BC 052395

NOTICE OF APPEAL
[C.C.P. § 904.1]

FEE RECEIVED

TO: ALL INTERESTED PARTIES AND TO THEIR ATTORNEYS OF RECORD.

PLEASE TAKE NOTICE that Defendant and Appellant Gerald
Armstrong hereby appeals to the Court of Appeal of the State of
California, Second Appellate District, from the grant Preliminary
Injunction entered on May 28, 1992, in Department 88 of the above-
entitled court.

///

COPY

1 Notice of Entry of Judgment was served by Defendant and
2 Respoondent of June 5, 1992.

3 DATED: July 23, 1992

HUB LAW OFFICES

By: 

FORD GREENE

Attorney for Defendant and
Appellant

GERALD ARMSTRONG

PROOF OF SERVICE

I am employed in the County of Marin, State of California. I am over the age of eighteen years and am not a party to the above entitled action. My business address is 711 Sir Francis Drake Boulevard, San Anselmo, California. I served the following documents: NOTICE OF APPEAL on the following person(s) on the date set forth below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California:

Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

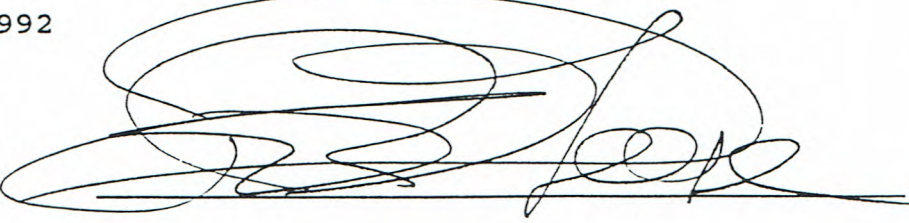
Graham E. Berry, Esquire
LEWIS, D'AMATO, BRISBOIS & BISGAARD
221 North Figueroa Street. Suite 1200
Los Angeles, California 90012

LAURIE J. BARTILSON, ESQ.
Bowles & Moxon
6255 Sunset Boulevard, Suite 2000
Los Angeles, California 90028

☒ (By Mail) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.

☒ (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

DATED: July 23, 1992



MAY 30 1992

DEPT. 88

SUPERIOR COURT OF CALIFORNIA , COUNTY OF LOS ANGELES

Date: May 28, 1992

Honorable Ronald M. Sohigian, Judge

1

M. Cervantes, Deputy Clerk

None (E.R.M.)

BC 052395

(Parties and Counsel checked if present)

Church of Scientology, International

Counsel For
Plaintiff

vs.

Gerald Armstrong, et al.

Counsel For
Defendant

No Appearances

NATURE OF PROCEEDINGS: RULING ON MATTER TAKEN UNDER SUBMISSION ON MAY 27, 1992

In this matter heretofore taken under submission on May 27, 1992, the court now makes the following ruling.

1 Plaintiff's legal remedies are inadequate insofar as the scope of relief ordered below is concerned, but not otherwise. CCP 526(4) and (5).

2 The threatened acts which are restrained by the order referred to below, but only those threatened acts, would do irreparable harm to plaintiff which could not be compensated by monetary damages. CCP 526(2).

3 On the basis of the instant record, there is a reasonable probability that plaintiff will prevail after trial of this case in the respects restrained by this order. CCP 526(1); cf., San Francisco Newspaper Printing Co., Inc. vs. Superior Court (Miller) (1985) 170 Cal. App. 3d 438.

4 Plaintiff is likely to suffer greater injury from denial of the preliminary injunction the terms of which are set out below than the injury which defendant is likely to suffer if it is granted. See Robbins vs. Superior Court (County of Sacramento) (1985) 38 Cal. 3d 199, 206.

5 The granting of a preliminary injunction in the terms set out below will preserve the status quo pending trial.

SUPERIOR COURT OF CALIFORNIA , COUNTY OF LOS ANGELES

Date: May 28, 1992

Honorable Ronald M. Sohigian, Judge
1aM. Cervantes, Deputy Clerk
None (E.R.M.)

BC 052395

(Parties and Counsel checked if present)

Church of Scientology, International
vs.Counsel For
Plaintiff

Gerald Armstrong, et al.

Counsel For
Defendant

No Appearances

NATURE OF PROCEEDINGS: RULING ON MATTER TAKEN UNDER SUBMISSION ON MAY 27, 1992

6 Application for preliminary injunction is granted in part, in the following respects only.

Defendant Gerald Armstrong, his agents, and persons acting in concert or conspiracy with him (excluding attorneys at law who are not said defendant's agents or retained by him) are restrained and enjoined during the pendency of this suit pending further order of court from doing directly or indirectly any of the following:

Voluntarily assisting any person (not a governmental organ or entity) intending to make, intending to press, intending to arbitrate, or intending to litigate a claim against the persons referred to in sec. 1 of the "Mutual Release of All Claims and Settlement Agreement" of December, 1986 regarding such claim or regarding pressing, arbitrating, or litigating it.

Voluntarily assisting any person (not a governmental organ or entity) arbitrating or litigating a claim against the persons referred to in sec. 1 of the "Mutual Release of All Claims and Settlement Agreement" of December, 1986.

The court does not intend by the foregoing to prohibit defendant Armstrong from: (a) being reasonably available for the service of subpoenas on him; (b) accepting service of subpoenas on him without physical resistance, obstructive tactics, or flight; (c) testifying fully and fairly in response to properly put questions either in deposition, at trial, or in other legal or arbitration proceedings; (d) properly reporting or disclosing to authorities criminal conduct of the persons referred to in sec. 1 of the "Mutual Release of All Claims and Settlement Agreement" of December, 1986; or (e) engaging in gainful employment rendering clerical or paralegal services not contrary to the terms and conditions of this order.

SUPERIOR COURT OF CALIFORNIA , COUNTY OF LOS ANGELES

Date: May 28, 1992

Honorable Ronald M. Sohigian, Judge
1bM. Cervantes, Deputy Clerk
None (E.R.M.)

BC 052395

(Parties and Counsel checked if present)

Church of Scientology, International
vs.Counsel For
Plaintiff

Gerald Armstrong, et al.

Counsel For
Defendant

No Appearances

NATURE OF PROCEEDINGS: RULING ON MATTER TAKEN UNDER SUBMISSION ON MAY 27, 1992

The application for preliminary injunction is otherwise denied.

7 The restraints referred to in sec. 6, above, will become effective upon plaintiff's posting an undertaking in the sum of \$70,000 pursuant to CCP 529(a) by 12:00 noon on June 5, 1992.

8 The restraints referred to in sec. 6, above, properly balance and accommodate the policies inherent in: (a) the protectable interests of the parties to this suit; (b) the protectable interests of the public at large; (c) the goal of attaining full and impartial justice through legitimate and properly informed civil and criminal judicial proceedings and arbitrations; (d) the gravity of interest involved in what the record demonstrates defendant might communicate in derogation of the contractual language; and (e) the reasonable interpretation of the "Mutual Release of All Claims and Settlement Agreement" of December, 1986. The fair interpretation of all the cases cited by the parties indicates that this is the correct decisional process. The law appropriately favors settlement agreements. Obviously, one limitation on freedom of contract is "public policy"; in determining what the scope of the public policy limitation on the parties' rights to enforcement of their agreement in the specific factual context of this case, the court has weighed the factors referred to in the first sentence of this section. Litigants have a substantial range of contractual freedom, even to the extent of agreeing not to assert or exercise rights which they might otherwise have. The instant record shows that plaintiff was substantially compensated as an aspect of the agreement, and does not persuasively support defendant's claim of duress or that the issues involved in this preliminary injunction proceeding were precluded by any prior decision.

SUPERIOR COURT OF CALIFORNIA , COUNTY OF LOS ANGELES

Date: May 28, 1992

Honorable Ronald M. Sohigian, Judge
lcM. Cervantes, Deputy Clerk
None (E.R.M.)

BC 052395

(Parties and Counsel checked if present)

Church of Scientology, International
vs.Counsel For
Plaintiff

Gerald Armstrong, et al.

Counsel For
Defendant

No Appearances

NATURE OF PROCEEDINGS: RULING ON MATTER TAKEN UNDER SUBMISSION ON MAY 27, 1992

9 The court does not dispositively decide the underlying merits of the case except for this preliminary determination. CCP 526(1); Baypoint Mortgage Corp. vs. Crest Premium Real Estate etc. Trust (1985) 168 Cal. App. 3d 818, 823.

10 Plaintiff is ordered give written notice by mail by June 5, 1992, including in that written notice a statement regarding whether plaintiff has or has not posted the undertaking referred to in sec. 7, above, and attaching to that written notice evidence showing that the undertaking has been posted if that is the fact.

DATED: May 28, 1992.

RONALD M. SOHIGIAN

RONALD M. SOHIGIAN
Judge of the Superior Court

A copy of this minute order is sent to counsel via United States mail this date.

1 Andrew H. Wilson
2 WILSON, RYAN & CAMPILONGO
3 235 Montgomery Street
4 Suite 450
5 San Francisco, California 94104
6 (415) 391-3900

7 Laurie J. Bartilson
8 BOWLES & MOXON
9 6255 Sunset Boulevard, Suite 2000
10 Hollywood, CA 90028
11 (213) 661-4030

12 Attorneys for Plaintiff
13 CHURCH OF SCIENTOLOGY
14 INTERNATIONAL

RECEIVED

JAN 02 1993

HUB LAW OFFICES

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA

16 FOR THE COUNTY OF LOS ANGELES

17 CHURCH OF SCIENTOLOGY
18 INTERNATIONAL, a California not-
19 for-profit religious corporation,

20 Plaintiff,

21 vs.

22 GERALD ARMSTRONG; DOES 1 through
23 25, inclusive,

24 Defendants.

) CASE NO. BC 052395
)
) EX PARTE APPLICATION FOR
) ORDER TO SHOW CAUSE WHY
) GERALD ARMSTRONG SHOULD NOT
) BE HELD IN CONTEMPT;
) MEMORANDUM OF POINTS AND
) AUTHORITIES; DECLARATIONS
) OF LAURIE BARTILSON AND
) KENDRICK L. MOXON AND
) SUPPORTING EXHIBITS
)
) DATE: December 31, 1992
) TIME: 1:30 p.m.
) DEPT: 88
) DISCOVERY CUT-OFF: None
) MOTION CUT-OFF: None
) TRIAL DATE: May 3, 1992

25 TO DEFENDANT AND GERALD ARMSTRONG AND HIS COUNSEL OF RECORD:

26 Notice is hereby given that on December 31, 1992 at 1:30
27 p.m., or as soon thereafter as the matter may be heard, in
28 Department 88 of the above-entitled court, located at 111 North
Hill Street, Los Angeles, California 90012, plaintiff Church of
Scientology International ("Church") will move for an order from

1 this Court directing defendant Gerald Armstrong ("Armstrong") to
2 appear and to show cause why he should not be held in contempt of
3 this Court and criminally sanctioned for such contempt. This
4 application is made on the ground that Armstrong has knowingly
5 violated this Court's May 28, 1992 preliminary injunction order
6 by voluntarily assisting at least six persons litigating or
7 otherwise pursuing claims against the Church, affiliated Churches
8 of Scientology and/or Church staff. All of the targeted Churches
9 of Scientology and staff are included within the group of
10 protected persons referenced in the May 28, 1992 Order. The six
11 persons who Armstrong has admittedly assisted since May 28, 1992
12 include Richard and Vicki Aznaran. Armstrong's earlier
13 assistance to the Aznarans was central to the Church's successful
14 preliminary injunction motion in this case.

15 While the Church has attempted to obtain, informally,
16 Armstrong's compliance with this Court's May 28, 1992 Order
17 during the past six months, such efforts have been repeatedly
18 rebuffed by Armstrong. As such, the Church comes to no
19 alternative but to submit this application. Coupled with his
20 post-May 28, 1992 pronouncements that he has no intention of
21 complying with any such order of the Court, Armstrong is clearly
22 flaunting the authority of this Court in a manner that should be
23 criminally sanctioned by fine and/or imprisonment under Code of
24 Civil Procedure § 1218. If this Court does enter a finding of
25 such contempt pursuant to Code of Civil Procedure § 1209, et
26 seq., the Church submits that Armstrong's actions also warrant
27 referral to the District Attorney for misdemeanor prosecution
28 under Penal Code § 166(4).

1 Defendant Armstrong has been notified of this Application
2 pursuant to Law and Discovery Policy Manual Para. 261, et seq.
3 [Declaration of Kendrick L. Moxon.]


4 This application is based upon the attached memorandum of
5 points and authorities, the attached Declaration of Laurie
6 Bartilson and other supporting exhibits, the pleadings and
7 records on file in this case and such further evidence and
8 argument as may be allowed at the hearing on this application.

9 Dated: December 31, 1992

Respectfully submitted,

Andrew H. Wilson
WILSON, RYAN & CAMPILONGO

BOWLES & MOXON

10
11
12
13 By: 
14 Laurie J. Bartilson

15 ATTORNEYS FOR PLAINTIFF
16 CHURCH OF SCIENTOLOGY
17 INTERNATIONAL
18
19
20
21
22
23
24
25
26
27
28

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION	1
II. FACTUAL STATEMENT.	2
A. The May 28 Order and Armstrong's Sworn Intention to Disregard It	2
B. Armstrong's Contemptuous Violation of The May 28 Order	5
1. Vicki and Richard Aznaran	6
2. Tillie Good, Denise Cantin and Ed Roberts	7
3. Jerry Whitfield	8
III. DISCUSSION	10
IV. CONCLUSION	13

TABLE OF AUTHORITIES

Page(s)

CASES

Brown v. Brown

(1971) 22 Cal.App.3d 82, 99 Cal.Rptr. 311 11

Crawford v. W.C.A.B..

(1989) 213 Cal.App.3d 156, 259 Cal.Rptr. 414 12

Hunziker, et al. v. Applied Materials, et al.,

Santa Clara County Superior Court No. 692629 3

Morelli v. Superior Court

(1969) 1 Cal.3d 328, 82 Cal.Rptr. 375 11

Pacific Telephone and Telegraph Co. v. Superior Court

(1968) 265 Cal.App.2d 370, 72 Cal.Rptr. 177 11

Reliable Enterprises, Inc. v. Superior Court

(1984) 158 Cal.App.3d 604, 204 Cal.Rptr. 786 11

Vanderstok v. Bank of America

(1972) 29 Cal.App.3d 731, 105 Cal.Rptr. 699 11

STATUTES

Code of Civil Procedure § 1209 et seq 11, 13

Code of Civil Procedure § 1211 12

Code of Civil Procedure § 1218 13

Penal Code § 166(4) 13

OTHER AUTHORITIES

Law and Discovery Policy Manual Para. 261, et seq.. . . . 3

1 MEMORANDUM OF POINTS AND AUTHORITIES

2 I.

3 INTRODUCTION

4 Plaintiff Church of Scientology International ("the Church")
5 seeks an order from this Court that will halt defendant
6 Armstrong's repeated, deliberate violations of the May 28, 1992
7 preliminary injunction order ("May 28 Order"). The May 28 Order
8 bars Armstrong from voluntarily assisting persons who are, inter
9 alia, litigating or intending to litigate against the Church, its
10 affiliated Churches of Scientology and their staffs. From post-
11 injunction discovery in this case, a bizarre letter written by
12 Armstrong to plaintiff's counsel and copied to 35 others, and,
13 mostly recently, the receipt by plaintiff's counsel of a
14 videotaped interview of Armstrong with at least one active anti-
15 Church litigant, it is clear that Armstrong -- true to his June
16 24, 1992 sworn assertion that he would never comply with the May
17 28 Order -- has embarked on a willful, knowing and defiant
18 campaign to violate that Order by aiding persons preparing
19 prospective lawsuits or actually litigating against the Church,
20 including, again, Richard and Vicki Aznaran. Indeed, Armstrong
21 has sworn under oath that he has no intention of complying with
22 this Court's order; every attempt made by plaintiff to obtain
23 compliance has been met with derision, defiance and concocted
24 claims of "privilege." It is for these actions, enumerated in
25 the supporting declaration of Laurie J. Bartilson, that Armstrong
26 should be made to show cause why he should not be found to be in
27 criminal contempt of the May 28 Order.

28 ///

II.

FACTUAL STATEMENT

A. The May 28 Order and Armstrong's Sworn
Intention to Disregard It

The May 28 Order clearly states its prohibitions against Armstrong's voluntary assistance of claimants adverse to the Church:

Defendant Gerald Armstrong, his agents, and persons acting in concert or conspiracy with him (excluding attorneys at law who are not said defendant's agents or retained by him) are restrained and enjoined during the pendency of this suit pending further order of this court from doing directly or indirectly any of the following:

Voluntarily assisting any person (not a governmental organ or entity) intending to make, intending to press, intending to arbitrate, or intending to litigate a claim against the persons referred to in sec. 1. of the "Mutual Release of All Claims and Settlement Agreement" of December 1986 regarding such claim or regarding pressing, arbitrating or litigating it.

Voluntarily assisting any person (not a governmental organ or entity) arbitrating or litigating a claim against the persons referred to in sec. 1 of the "Mutual Release of All Claims and Settlement Agreement" of December, 1986.

[Exhibit A, May 28 Order, p. 2, ¶ 6.] These particular prohibitions against Armstrong voluntarily assisting litigants and other claimants were based on paragraph 7G of the December, 1986 "Mutual Release of All Claims and Settlement Agreement" ("Settlement Agreement") referenced in the Order,¹ which this

¹ Paragraph 7G of the Settlement Agreement states:

G. Plaintiff [Armstrong] agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organization aligned against Scientology. [Exhibit B, Settlement Agreement.]

1 Court found the Church held a reasonable probability of enforcing
2 after trial. [Id., p. 1, ¶ 3.²]

3 Less than a month after the May 28 Order was issued,
4 Armstrong asserted under oath in deposition that he would not
5 honor its terms:³

6
7 ² As to the persons protected by this prohibition against
8 assistance of adversaries, paragraph 1 of the Settlement
9 Agreement states, in relevant part: ". . .the officers, agents,
10 representative employees, volunteers, directors, successors,
11 assigns, and legal counsel of [Church of Scientology
12 International] as well as the Church of Scientology California,
13 its officers, agents, representatives, employees, volunteers,
14 directors, successors, assigned and legal counsel; Religious
Technology Center, its officers, agents, representatives,
employees, volunteers, directors, successors, assigns and legal
counsel; all Scientology and Scientology affiliated organizations
and entities and their officers, agents, representatives,
employees, volunteers, directors, successors, assigns and legal
counsel; L. Ron Hubbard, his heirs, beneficiaries, Estate and its
executor; Author's Family Trust, its beneficiaries and its
trustee; and Mary Sue Hubbard ..."

15 ³ Armstrong's intentional disregard for the court's orders
16 in this case was also demonstrated by his actions subsequent to
17 the March 5, 1992 issuance the temporary restraining order by
18 Judge Dufficy of the Marin County Superior Court ("Armstrong
19 TRO"). As the court's record shows, the Armstrong TRO restrained
20 him, inter alia, from disclosing his experiences to third par-
21 ties, including the press, as well as from assisting actual and
22 prospective anti-Church litigants. However, through the March 12,
23 1992 deposition testimony in the matter of Hunziker, et al. v.
24 Applied Materials, et al., Santa Clara County Superior Court No.
25 692629, Armstrong revealed that he was actively assisting the
26 plaintiffs in that case in violation of the Armstrong TRO with
27 negative materials on Scientology [Exhibit C, March 12 deposition
of Gerald Armstrong in Hunziker, pp. 254-256, 323-330] and, in
his October 7, 1992 deposition in the instant case, admitted that
he had: (a) had discussions with Time Magazine reporter Richard
Behar regarding the latter's litigation against the Church in the
matter of Church of Scientology International v. Time Warner,
Inc., Richard Behar, et al., U.S. District Court, Southern
District of New York, No. 92 Civ. 3024(PKL); and (b) participated
in the issuance of a press release critical of the Church and the
Armstrong TRO on March 19, 1992. [Exhibit D, October 7, 1992
Deposition of Gerald Armstrong, pp. 338-339, 386-387; Exhibit E,
press release.] As this Court's record also shows, on March 27,
1992, Judge Dufficy extended the Armstrong TRO to May 11, 1992.
Nevertheless, Armstrong continued to violate that restraining

(continued...)

1 I have absolutely no intention of honoring that
2 settlement agreement. I cannot. I cannot logically. I
3 cannot ethically. I cannot morally. I cannot
4 psychically. I cannot philosophically. I cannot
5 spiritually. I cannot in any way. And it is firmly my
6 intention to not honor it.

7 Q. No matter what a court says?

8 A. No court can order it. They're going to have
9 to kill me.

10 [Exhibit F, June 24, 1992 deposition of Gerald Armstrong, p. 124;
11 Declaration of Laurie J. Bartilson, ¶ 4.⁴]

12 Armstrong's intention to ignore the May 28 Order was
13 reiterated in a letter sent by Armstrong to plaintiff's counsel,
14 dated December 22, 1992. [Exhibit G.] In that letter, which is
15 copied to his own attorneys but not sent by them,⁵ Armstrong
16 threatens that, if he is not paid \$500,000 and this lawsuit
17 dismissed, he intends to travel voluntarily to South Africa to
18 testify against a church of Scientology, give interviews to the
19 media, and voluntarily assist anyone and everyone opposing
20 Churches that he can locate. [Id., pp. 3, 4, 6, 7, 8.] Expressing

21 ³(...continued)
22 order, conducting post-extension hearing interviews with the
23 press on March 27, 1992 (Don Knapp of CNN), in April, 1992
24 (William Horne of American Lawyer Magazine) and, possibly, with
25 Behar. [Exhibit D, Armstrong Deposition, pp. 342-344, 348-355,
26 386-387.]

27 ⁴ Similarly, Armstrong has confirmed that he indicated to
28 Los Angeles Times reporter Robert Welkos his, Armstrong's,
intention not to comply with the May 28 Order. [Exhibit D,
October 7, 1992 Armstrong Deposition, pp. 378-379; Declaration of
Laurie J. Bartilson, ¶ 5.]

⁵ In what can only be described as deliberate harassment,
Armstrong also sent copies of the letter to 35 individuals and
groups, including anti-Church litigants, such as Vicki and
Richard Aznaran, Larry Wollersheim and Joseph Yanny, and lawyers
who represent clients in actions brought against one of more
churches, including Toby Plevin, John Elstead, and Dan Leipold.

1 the viewpoint that the May 28 Order places no restrictions
2 whatsoever on his conduct, Armstrong states:

3 I consider myself free to do anything anyone can,
4 except testify absent a subpoena. Much of what I am
permitted to do I am going to do. . . .

5 I will continue to associate with and befriend all
6 those people I consider you attack unjustly and
7 senselessly. I will make my knowledge and support
8 available to the Cult Awareness Network, a group of
9 people of good will you vilify, in all the litigation
you have fomented against them⁶. . . . I will even
make my knowledge and support available to entities
like Time and people like Rich Behar in their defenses
from your attacks.⁷

10 [Exhibit G, p. 3.] In that same letter, Armstrong makes plain
11 the personal contempt which he has for a Court which would rule
12 against him:

13 There is also, as mentioned above, the fact that
14 in order to defend myself from your attacks and to fund
15 the defense of the litigation you have fomented I must
16 speak and must publish. I'm sure you understand that I
17 remain completely confident that no court, other than
the odd one your mercenaries are able to compromise
with bucks, babes or bull, will order me not to defend
myself.

18 [Id. p. 5].

19 B. Armstrong's Contemptuous Violation of
20 The May 28 Order

21 Since the May 28 Order, Armstrong has defiantly aided at

22 ⁶ The Cult Awareness Network is an anti-religious group that
23 advocates the kidnapping and forcible "deprogramming" of
24 individuals belonging to religions which they have identified as
25 "cults." While the Church is not presently suing the Cult
26 Awareness Network in any litigation, the president of the Cult
Awareness Network, Cynthia Kissner, has initiated an action
against the Church and its president, Heber Jentzsch. [Bartilson
Dec., ¶ 17.]

27 ⁷ Behar is the author of a Time cover story concerning the
28 Church which ran in May, 1991. The Church is presently engaged
in a lawsuit against Time and Behar for defamation. [Bartilson
Dec., ¶ 18]

1 least six claimants and litigants that fall within the above
2 quoted prohibitions. That provision of voluntary assistance has
3 included the following:

4 1. Vicki and Richard Aznaran

5 As initially raised in the Church's February 4, 1992
6 preliminary injunction motion in this case, Armstrong continues
7 to be employed as a paralegal at the law offices of his counsel
8 Ford Greene. [Exhibit H, July 22, 1992 Deposition of Gerald
9 Armstrong, pp. 186-189; Bartilson Dec., ¶ 6]; see also, February
10 4, 1992 Memorandum of Points and Authorities in Support of
11 Plaintiff's Motion for Preliminary Injunction for Breach of
12 Contract ("Injunction Memorandum"), pp. 2-3.

13 A central point raised in the Church's Injunction Memorandum
14 was Armstrong's assistance via Ford Greene to anti-Church
15 litigants Richard and Vicki Aznaran. Id. It came to Church
16 counsel's attention in early July, 1992 that Mr. Greene, after a
17 hiatus, was again representing the Aznarans in the matter of
18 Vicki Aznaran and Richard Aznaran v. Church of Scientology
19 International, et al., U.S. District Court, Central District of
20 California No. CV-88-1786-JMI(Ex). Consequently, a letter was
21 sent on July 7, 1992 seeking Armstrong's and Greene's undertaking
22 that Armstrong would not violate the May 28 Order by Armstrong's
23 assistance in the Aznarans' case. [Exhibit I, July 7, 1992
24 Bartilson letter; Bartilson Dec., ¶ 7.] In a July 11, 1992
25 response, Mr. Greene declined to make any such assurances.

1 [Exhibit J, July 11, 1992 Greene letter; Bartilson Dec., ¶ 8.⁸]
2 However, as Greene's paralegal, Armstrong has, since Greene's
3 July 11 letter, admitted to "broadly discussing" with the Aznar-
4 ans matters concerning their case against the Church and has
5 assisted in the relay of communications between the Aznarans and
6 Greene. [Exhibit D, October 8 Armstrong Deposition, pp. 448-
7 451.] [See also, Exhibit K, July 18, 1992 Bartilson letter
8 documenting Armstrong's direct contact relating to the Aznaran
9 case and requesting again that he cease and desist; Exhibit L,
10 July 30, 1992 proofs of service executed by Armstrong in the
11 Aznaran case; Bartilson Dec., ¶¶ 8-11.] While his counsel has
12 raised work product and attorney-client communications objections
13 to disclosing the content of Armstrong's communications with the
14 Aznarans [see footnote 7 and Exhibit D, pp. 448-451; Exhibit J,
15 Greene's July 11, 1992 letter], Armstrong's admissions of
16 assistance are ample evidence of his knowing violation of the May
17 28 Order.

18 2. Tillie Good, Denise Cantin and Ed Roberts

19 Moreover, Armstrong has admitted providing assistance
20 through Greene to three other potential litigants pursuing claims
21 against Church entities that fall within the scope of the May 28
22

23 ⁸ Mr. Greene's letter was an early indication of the manner
24 in which he and Armstrong would attempt to avoid compliance with
25 the May 28 Order, first disingenuously labelling it "somewhat
26 cryptic and difficult to enforce" and then claiming that
27 confirmation of whether or not Armstrong was violating that order
28 as Greene's paralegal invaded Greene's clients' attorney work
product and confidential communications privileges. Id.
However, as shown by Armstrong's subsequent actions and
admissions, there is no doubt that Armstrong has used his
paralegal position in Mr. Greene's office to engage in repeated
violations of the May 28 order.

1 Order: (a) Tillie Good; (b) Denise Cantin; and (c) Ed Roberts.
2 [Exhibit D, October 8 Armstrong Deposition, pp. 451-458;
3 Exhibit M, July 19, 1992 demand letter regarding Tillie Hanna
4 Good; Exhibit N, July 2, 1992 demand letter regarding Denise
5 Cantin; Exhibit O, September 4, 1992 demand letter regarding Ed
6 Roberts; Bartilson Dec., ¶ 12.] While Mr. Greene again
7 foreclosed inquiry into the specifics of Armstrong's assistance
8 in these cases [Exhibit C at 451-458], Armstrong did admit that
9 he had met with and interviewed Mr. Roberts concerning the
10 latter's Church dispute and has spoken with him some seven times
11 since then. [Id. at 455-457.]

12 Indeed, Armstrong's assistance to Mr. Roberts is apparently
13 independent of any assistance which Armstrong provides to Mr.
14 Greene. In his December 22 letter, Armstrong asserted that he
15 "is the only person in the world willing to help Mr. Roberts
16 against your organization." [Exhibit G, p. 7.] In that letter,
17 Armstrong includes the payment of an unspecified amount to Mr.
18 Roberts as a "condition" to the ending of Armstrong's campaign of
19 harassment against the Church. [Id. p. 6-7.]

20 As with his assistance to the Aznarans, Armstrong's work
21 with these three litigants violates the letter and intent of the
22 May 28 Order.

23 3. Jerry Whitfield

24 In addition, the Church has just learned that Armstrong
25 engaged in a lengthy videotaped interview on November 6, 1992
26 concerning his purported Church experiences with anti-Church
27 litigant Jerry Whitfield and others. [Exhibit P, transcript of
28 November 6, 1992 interview at convention of the Cult Awareness

1 Network; Exhibit Q, videotape thereof; Bartilson Dec., ¶ 21.]
2 Whitfield, a self-proclaimed "specialist" in the "deprogramming"
3 of Church of Scientology parishioners, is currently a defendant
4 in a false imprisonment and false arrest suit brought by Church
5 staff member Angel Casillas, Angel Casillas v. Jerry Whitfield,
6 Hanna Whitfield and Does 1-25, Los Angeles Municipal Court Case
7 No. 91K49349.

8 The November 6 interview -- in which Armstrong admits his
9 actions are in violation of the May 28 order⁹ -- demonstrates
10 conclusively that Armstrong knowingly has chosen to disregard and
11 flaunt the Preliminary Injunction issued by this Court. In
12 supplying Whitfield with a video tape for Whitfield's use in
13 forcible deprogrammings to force unwilling Scientologists to
14 renounce their faith and for possible use in the Casillas case,
15 Armstrong has once again directly and voluntarily supported an
16 adverse litigant to the Church. Indeed, the making of the video
17 tape by Armstrong at all is another deliberate violation or yet
18 another provision of the Settlement Agreement itself, as well as
19 a violation of the preliminary injunction. In Paragraph 6(D) of
20 the Agreement, Armstrong agreed, inter alia,

21 [N]ever to create or publish or attempt to publish,
22 and/or assist another to create for publication by

23 ⁹ While again proclaiming that he will never comply with the
24 order, Armstrong acknowledges that the interview itself is in
25 violation: "I cannot, except pursuant to a subpoena, assist
26 someone intending to file a claim or pressing a claim against the
27 organization. Now then we are appealing even that narrow ruling,
28 because that's unenforceable because if you construe that my ...
that this video could possibly indirectly help someone in the
future, I can't do this. And not only that but if you consider
that my existence indirectly or directly helps someone, then I'll
oblige to take my own life. In other words I must stop breath-
ing." Exhibit P, November 6 interview transcript, p. 31.

1 means of magazine, article, book or other similar form,
2 any writing or to broadcast of to assist another to
3 create, write, film or video tape or audio tape any
4 show, program or movie, or to grant interviews or
5 discuss with others, concerning their experiences with
6 the Church of Scientology, or concerning their personal
7 or indirectly acquired knowledge or information
8 concerning the Church of Scientology, L. Ron Hubbard or
9 any of the organizations, individuals and entities
10 listed in Paragraph 1 above. [Armstrong] further
11 agrees that he will maintain strict confidentiality and
12 silence with respect to his experiences with the Church
13 of Scientology and any knowledge or information he may
14 have concerning the Church of Scientology, L. Ron
15 Hubbard, or any of the organizations, individuals and
16 entities listed in Paragraph 1 above. . . .

17 Armstrong's production, with Whitfield, of a videotaped
18 interview which purports to discuss both his and Whitfield's
19 experiences with the Church, and which was created to be shown by
20 Whitfield to victims he hopes to "deprogram" from the Scientology
21 faith, despite the Agreement, despite the May 28 Order, and
22 despite repeated notice from counsel for plaintiff that plaintiff
23 intended to enforce both the Agreement and the May 28 Order
24 demonstrate most eloquently the contempt which Armstrong has for
25 the legal process, plaintiff's rights, and this Court. His
26 defiance is not accidental or a minor misstep: it is deliberate,
27 flagrant, defiant contempt. If ever a case cried out for the
28 issuance of an order to show cause, this is that case.

29 III.

30 DISCUSSION

31 The Church seeks an order to show cause why Armstrong should
32 not be held in criminal contempt of the May 28 Order.¹⁰ As

33 ¹⁰ The Church does not seek a civil contempt of the May 28
34 Order as coercive confinement would, at best, result in
35 Armstrong's "promise" not to violate that order, clearly a
36 meaningless act in light of Armstrong's demonstrable lack of
37 (continued...)

embodied in Code of Civil Procedure § 1209 et seq., the Court has the power to punish acts, such as Armstrong's, which impede and obstruct the discharge of its duties. See, Morelli v. Superior Court (1969) 1 Cal.3d 328, 333, 82 Cal.Rptr. 375 (criminal contempt proceedings arising out of a civil action are aimed at the vindication of the authority of the court).

Violations of court orders constitute contempt. This Court has inherent power to enforce execution of its equity decrees. Brown v. Brown (1971) 22 Cal.App.3d 82, 84, 99 Cal.Rptr. 311 (same). Moreover, Code of Civil Procedure § 1209(a) specifically provides, in relevant part:

[T]he following acts or omissions in respect to a court of justice, or proceedings therein, are contempts of the authority of the court:

. . .

5. Disobedience of any lawful . . . order . . . of the court.

See also, Reliable Enterprises, Inc. v. Superior Court (1984) 158 Cal.App.3d 604, 204 Cal.Rptr. 786 (criminal contempt adjudication for violation of preliminary injunction upheld); Pacific Telephone and Telegraph Co. v. Superior Court (1968) 265 Cal.App.2d 370, 72 Cal.Rptr. 177 (Section 1209 contempt proceedings are special proceedings, criminal in character and intended to implement the inherent power of the court to enforce its lawful orders); Vanderstok v. Bank of America (1972) 29 Cal.App.3d 731, 734, 105 Cal.Rptr. 699 (contempt proceeding is a proper process for enforcement of an injunction order).

¹⁰(...continued)
credibility on undertakings to honor his agreements.

1 In order to establish such an indirect contempt committed
2 out of the immediate presence of the court, the moving party must
3 demonstrate by sworn statement facts constituting the violation
4 of the court's order. Code of Civil Procedure § 1211. The
5 moving party's affidavit or declaration "need only make a prima*
6 facie showing of the elements of contempt. Those elements are
7 that the court made a lawful order; the person cited for contempt
8 had knowledge or notice of the order; and the person was able to
9 comply, yet willfully disobeyed the order." Crawford v.
10 W.C.A.B.. (1989) 213 Cal.App.3d 156, 169, 259 Cal.Rptr. 414, 422-
11 423.

12 The Church, through the accompanying declaration of Laurie
13 J. Bartilson, has met each of these requirements. Present at the
14 depositions in which Armstrong made the admissions specified in
15 Section II, supra, the recipient of the phone call and proofs of
16 service Armstrong effected in aid of the Aznaran's case, and the
17 recipient of Armstrong's December 22 letter, Ms. Bartilson
18 establishes through her declaration: (a) Issuance of the valid
19 May 28 Order; (b) Notice to Armstrong of the May 28 Order
20 (through notice to his attorneys, in the manner authorized by the
21 Court, on June 5, 1992) [Bartilson Dec., ¶ 3 and Exhibit S];
22 (c) Armstrong's knowledge of the May 28 Order (through his
23 statements that he was aware of but would never comply with such
24 order) [Bartilson Dec., ¶¶ 4, 5, 9, 10 and 13]; (d) Armstrong's
25 ability to have complied with such order (through his actions of
26 assistance to anti-Church litigants, Armstrong is just as able to
27 desist from such actions) [Bartilson Dec., ¶¶ 4, 5, 9, 11, 12 and
28 13]; and (e) Armstrong's willful disobedience of the subject

1 order (through his refusal to cease and desist from the
2 prohibited assistance after direct notice and demand by Church
3 counsel) [Bartilson Dec., ¶¶ 4, 5, 9, 11, 12, 13 and 14.]

4 Accordingly, Armstrong should be ordered to Show Cause why
5 he should not be held in criminal contempt of this Court, with
6 punishment in the form of fine not to exceed \$1,000.00 and jail
7 time not to exceed five days as this Court sees fit. Code of
8 Civil Procedure § 1218. The Court should exercise all of its
9 available powers to impress upon Armstrong that its orders mean
10 what they say and will be enforced, despite the intransigence of
11 an enjoined party. Indeed, incarceration is an unusually viable
12 vehicle for impressing upon Armstrong the import of his
13 obligations, inasmuch as Armstrong has publicly disavowed money
14 as a meaningful or valuable commodity. [Exhibit R.] Moreover,
15 with Armstrong expressing his "to the grave" defiance of the May
16 28 Order, the Church submits that upon a finding of contempt
17 under Code of Civil Procedure § 1209, et seq., referral to the
18 District Attorney for misdemeanor prosecution under Penal Code §
19 166(4) is also appropriate to address such a defiant, willful
20 challenge to the Court's authority.

21 IV.

22 CONCLUSION

23 For the foregoing reasons, plaintiff Church respectfully
24 requests that the Court order that Armstrong show cause why he
25 should not be held in contempt of court and why plaintiff Church

26 ///

27 ///

28 ///

1 should not be awarded its costs, including attorneys' fees, in
2 bringing this motion.


3 Dated: December 31, 1992

Respectfully submitted,

4 Andrew H. Wilson
5 WILSON, RYAN & CAMPILONGO

6 BOWLES & MOXON

7 By:


8 Laurie J. Bartilson

9 ATTORNEYS FOR PLAINTIFF
10 CHURCH OF SCIENTOLOGY
11 INTERNATIONAL
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

H:\ARMSTRON\ARM.OSC

1 Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
2 235 Montgomery Street
Suite 450
3 San Francisco, California 94104
(415) 391-3900

4 Laurie J. Bartilson
5 BOWLES & MOXON
6255 Sunset Boulevard, Suite 2000
6 Hollywood, CA 90028
(213) 661-4030

7 Attorneys for Plaintiff
8 CHURCH OF SCIENTOLOGY
INTERNATIONAL
9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 FOR THE COUNTY OF LOS ANGELES

12 CHURCH OF SCIENTOLOGY	)	CASE NO. BC 052395
13 INTERNATIONAL, a California not-)	
14 for-profit religious corporation,	)	DECLARATION OF LAURIE J.
	)	BARTILSON IN SUPPORT OF
15 Plaintiff,	)	APPLICATION FOR ORDER TO
	)	SHOW CAUSE WHY GERALD
16	)	ARMSTRONG SHOULD NOT BE
17 vs.	)	HELD IN CONTEMPT
)	
18 GERALD ARMSTRONG; DOES 1 through	)	DATE: December 31, 1992
19 25, inclusive,	)	TIME: 1:30 p.m.
	)	DEPT: 88
20 Defendants.	)	DISCOVERY CUT-OFF: None
	)	MOTION CUT-OFF: None
	)	TRIAL DATE: May 3, 1992

21
22 I, LAURIE J. BARTILSON, hereby declare:

23 1. I am a member of the law firm of Bowles & Moxon and am
24 an attorney admitted to practice in the State of California. My
25 firm represents plaintiff Church of Scientology International
26 ("Church") in the instant case. I am submitting this declaration
27 in support of the Church's Motion for Order to Show Cause Why
28 Gerald Armstrong Should Not Be Held in Contempt ("Motion") and

1 said Motion's accompanying memorandum of points and authorities
2 ("Memorandum"). I have personal knowledge of the matters
3 specified in this declaration and, if called upon to testify on
4 such matters, would and could do so competently.

5 2. On May 28, 1992, this Court issued a preliminary
6 injunction order ("May 28 Order") in this case which stated, in
7 relevant part:

8 Defendant Gerald Armstrong, his agents, and
9 persons acting in concert or conspiracy with him
10 (excluding attorneys at law who are not said
11 defendant's agents or retained by him) are
12 restrained and enjoined during the pendency of
13 this suit pending further order of this court from
14 doing directly or indirectly any of the following:

15 Voluntarily assisting any person (not a
16 governmental organ or entity) intending to make,
17 intending to press, intending to arbitrate, or
18 intending to litigate a claim against the persons
19 referred to in sec. 1. of the "Mutual Release of
20 All Claims and Settlement Agreement" of December
21 1986 regarding such claim or regarding pressing,
22 arbitrating or litigating it.

23 Voluntarily assisting any person (not a
24 governmental organ or entity) arbitrating or
25 litigating a claim against the persons referred to
26 in sec. 1 of the "Mutual Release of All Claims and
27 Settlement Agreement" of December, 1986.

28 A true and correct copy of the May 28 Order which I received from
the Court is attached as Exhibit A in support of the Motion.

3. On June 5, 1992, I gave notice to Armstrong's lawyers,
Ford Greene and Paul Morantz, of the May 28 Order. A true and
correct copy of the Notice with exhibits and proofs of service is
attached as Exhibit S in support of the Motion.

4. At a deposition of Gerald Armstrong ("Armstrong") in
this case on June 24, 1992, he and my co-counsel, Andrew Wilson,
had the following exchange regarding the December 1986 "Mutual

1 Release and Settlement Agreement" between the Church and
2 Armstrong ("Settlement Agreement") and the May 28 Order:

3 A. . . . I have absolutely no intention of
4 honoring that settlement agreement. I cannot. I
5 cannot logically. I cannot ethically. I cannot
6 morally. I cannot psychically. I cannot philo-
sophically. I cannot spiritually. I cannot in
any way. And it is firmly my intention to not
honor it.

7 Q. No matter what a court says?

8 A. No court can order it. They're going to have
9 to kill me.

10 A true and correct copy of the relevant page of the transcript of
11 that deposition, p. 124, accurately reflecting the statements of
12 Armstrong and myself, is attached as Exhibit F to the Motion.

13 5. At a continuation of Armstrong's deposition in this
14 case on October 7, 1992, Armstrong and I had the following
15 exchange regarding the May 28 Order:

16 Q. When was the next time you spoke to Mr.
Welkos or Mr. Sappell?

17 A. Around the time of the Sohigian ruling.

18 Q. This is another telephone conversation?

19 A. In that I only met Mr. Welkos on that one
20 occasion, yes.

21 Q. I apologize. You said that, and I
22 forgot. And this was a conversation with Mr.
Welkos?

23 A. Yes

24 Q. Did you call him, or did he call you?

25 A. I believe I originated the conversation.

26 Q. What did he say to you, and what did you
say to him, during that conversation?

27 A. I believe I advised him of the Sohigian
28 ruling.

1 Q. Did you discuss anything else with him?

2 A. I think it was -- That's all that I
3 recall being the subject of the discussion at that
4 time.

5 Q. Did you tell him that as a result of the
6 Sohigian ruling, you now felt that you were more
7 free to do things that you had been constrained
8 about doing before?

9 A. No, I never said that. Because I did not
10 feel I was constrained before. But rather that by
11 specifically denying the injunction as to all of
12 those things which the organization sought in the
13 preliminary injunction, that I was free from the
14 potential of an injunction.

15 A true and correct copy of the relevant pages of the transcript
16 of that deposition, pp. 378-379, accurately reflecting the
17 statements of Armstrong and myself, is attached as part of
18 Exhibit D to the Motion. On behalf of my client the Church, I
19 allege that the statements made by Armstrong under oath as quoted
20 in this paragraph and the paragraph immediately preceding in this
21 declaration are acknowledgements by Armstrong of his awareness of
22 the May 28 Order, his ability to act in compliance of such order
23 and his intention to wilfully disobey its terms.

24 6. At a continuation of Armstrong's deposition in this
25 case on July 22, 1992, he acknowledged to me under oath that he
26 continued to be employed by Ford Greene as a paralegal. A true
27 and correct copy of the relevant pages of the transcript of that
28 deposition, pp. 186-189, accurately reflecting the statements of
29 Armstrong and myself, is attached as Exhibit H to the Motion.

30 7. On July 7, 1992, I received in the mail a notice of
31 association from Ford Greene announcing that he again represented
32 Vicki and Richard Aznaran in the matter of Vicki Aznaran and
33 Richard Aznaran v. Church of Scientology International, et al.

1 U.S. District Court, Central District of California No.
2 CV-88-1786-JMI(Ex) ("Aznaran v. Church"). On that day, I sent
3 Mr. Greene a letter by telecopier and first class mail. A true
4 and correct copy of that letter is attached as Exhibit I to the
5 Motion. In that letter, I requested that Mr. Greene inform me of
6 the steps that had been and that would be taken to ensure that
7 Armstrong did not violate the terms of the May 28 Order, in
8 particular the prohibition that prevented Armstrong from
9 assisting the Aznarans in their case.

10 8. On or about July 12, 1992, I received a letter from Mr.
11 Greene, dated July 11, 1992, which responded to the above
12 referenced letter of July 7, 1992. A true and correct copy of
13 that letter is attached as Exhibit J to the Motion. In that
14 letter, Mr. Greene pointedly declined to provide any specific
15 assurances that Armstrong would not assist the Aznarans or any
16 other anti-Church litigant or claimant in violation of the
17 above-cited terms of the May 28 Order. Instead, he characterized
18 the May 28 Order as "somewhat cryptic and difficult to enforce"
19 and that as to Armstrong's compliance with said order, I "would
20 simply have to take [Mr. Greene's] word for it."

21 9. In July, 1992, following my receipt of a copy of a
22 ruling of Judge Ideman in Aznaran v. Church transferring that
23 case from the Central District of California to the U.S. District
24 Court in Dallas, Texas, I received a telephone call from
25 Armstrong in which he stated that he was calling from Mr.
26 Greene's office and that he needed to receive immediately by fax
27 such transfer ruling of Judge Ideman. I told Armstrong that the
28 May 28 Order prohibited him from assisting the Aznarans or any

1 other litigants against the Church. He replied that he was
2 trying to help the Aznarans. On behalf of my client the Church,
3 I allege that the statements made by Armstrong as relayed in this
4 paragraph are acknowledgements by Armstrong of his awareness of
5 the May 28 Order, his ability to act in compliance of such order
6 and his intention to wilfully disobey its terms.

7 10. On July 18, 1992, I sent another letter to Mr. Greene
8 by telecopier and first class mail, responding to his July 11,
9 1992 letter, accurately describing my above referenced July, 1992
10 conversation with Armstrong and reiterating that Armstrong was
11 required to immediately cease all work for the Aznarans and to
12 cease all actions in violation of the May 28 Order. A true and
13 correct copy of that letter is attached as Exhibit K to the
14 Motion.

15 11. I received no response to my July 18, 1992 letter from
16 Mr. Greene. However, on or about August 1, 1992, I received two
17 proofs of service for Mr. Greene's pleadings in the Aznaran v.
18 Church case, each of which was executed by Armstrong. True and
19 correct copies of those proofs of service are attached as Exhibit
20 L to the Motion. On behalf of my client the Church, I allege
21 that the actions taken by Armstrong as relayed in this paragraph
22 are acknowledgements by Armstrong of his ability to act in
23 compliance of the May 28 Order and his intention to wilfully
24 disobey its terms.

25 12. In the continuation of Armstrong's deposition in this
26 case on October 7 and 8, 1992, during which I further examined
27 Armstrong, he made several additional admissions that I allege
28 indicate his awareness of the May 28 Order, his ability to act in

1 compliance of such order and his intention to wilfully disobey
2 its terms. These admissions include Armstrong's statements that
3 he broadly discussed with the Aznarans matters relating to their
4 case against the Church, that he assisted in the relay of
5 communications between the Aznarans and Mr. Greene and that he
6 was assisting three other persons, Tillie Good, Denise Cantin and
7 Ed Roberts, each of whom is making claims, through Mr. Greene's
8 office, against Churches of Scientology protected by the May 28
9 Order. A true and correct copy of the relevant pages of the
10 transcript of this deposition, pp. 448-458, accurately reflecting
11 the statements of Armstrong, Mr. Greene and myself, is attached
12 as part of Exhibit D to the Motion. True and correct copies of
13 Mr. Greene's demand letters against various Churches of
14 Scientology on behalf of Ms. Good, Ms. Cantin and Mr. Roberts
15 received by me and/or my firm are attached as Exhibits M, N and O
16 respectively to the Motion.

17 13. On December 26, 1992, I received by U.S. mail a letter
18 signed by Gerald Armstrong, dated December 22, 1992, and
19 addressed to "David Miscavige and all other individuals who
20 participate in the control of Scientology, C/O Laurie J.
21 Bartilson, Esquire" ("December 22 Letter"). A true and correct
22 copy of the December 22 Letter is attached to the moving papers
23 as Exhibit G.

24 14. In what can only be described as deliberate harassment,
25 Armstrong also sent copies of the letter to 35 individuals and
26 groups, including anti-Church litigants, such as Vicki and
27 Richard Aznaran, Larry Wollersheim and Joseph Yanny, and lawyers
28 who represent clients in actions brought against one of more

1 churches, including Toby Plevin, John Elstead, and Dan Leipold.

2 15. Armstrong spends the bulk of the December 22 Letter
3 vilifying the Church and its members, and threatening further
4 breaches of the settlement agreement, and violations of the
5 preliminary injunction, if his demands are not met. Although
6 Armstrong has publicly disavowed any interest in money, he
7 insists that the Church pay him \$500,000 for his "legal fees and
8 costs," "cancel" the settlement agreement, and pay unspecified
9 amounts of money to other anti-Church litigants if the Church
10 wishes to avoid Armstrong's threatened violations.

11 16. Specifically, Armstrong threatens that, if his demands
12 are not met, that he will travel voluntarily to South Africa to
13 testify against a church of Scientology, give interviews to the
14 media, and voluntarily assist anyone and everyone opposing
15 Churches that he can locate. [*Id.* pp. 3, 4, 6, 7, 8] Expressing
16 the viewpoint that the May 28 Order places no restrictions
17 whatsoever on his conduct, Armstrong states,

18 I consider myself free to do anything anyone can,
19 except testify absent a subpoena. Much of what I am
permitted to do I am going to do. . . .

20 I will continue to associate with and befriend all
21 those people I consider you attack unjustly and
senselessly. I will make my knowledge and support
22 available to the Cult Awareness Network, a group of
people of good will you vilify, in all the litigation
23 you have fomented against them. . . . I will even make
my knowledge and support available to entities like
24 Time and people like Rich Behar in their defenses from
your attacks.

25 [Exhibit G, p. 3].

26 17. The Cult Awareness Network is an anti-religious group
27 that advocates the kidnapping and forcible "deprogramming" of
28 individuals belonging to religions which they have identified as

1 "cults." While the Church is not presently suing the Cult
2 Awareness Network in any litigation, the president of the Cult
3 Awareness Network, Cynthia Kisser, has initiated an action
4 against the Church and its president, Heber Jentzsch.

5 18. Richard Behar is the author of a Time cover story
6 concerning the Church which ran in May, 1991. The Church is
7 presently engaged in a lawsuit against Time and Behar for
8 defamation.

9 19. In the December 22 Letter, Armstrong also makes plain
10 the personal contempt which he has for a Court which would rule
11 against him:

12 There is also, as mentioned above, the fact that
13 in order to defend myself from your attacks and to fund
14 the defense of the litigation you have fomented I must
15 speak and must publish. I'm sure you understand that I
16 remain completely confident that no court, other than
the odd one your mercenaries are able to compromise
with bucks, babes or bull, will order me not to defend
myself.

17 [Id. p. 5].

18 20. These recent pronouncements by Armstrong make plain
19 that nothing short of a criminal contempt order is likely to end
20 Armstrong's misconduct.

21 21. On December 30, 1992, I received a videotape identified
22 by the initial speaker as a November 6, 1992 interview of
23 Armstrong. Jerry Whitfield and others participated in such
24 interview which, on information and belief, took place at the Los
25 Angeles convention in early November, 1992 of the so-called "Cult
26 Awareness Network" ("CAN"). A true and accurate copy of the
27 video tape is attached and lodged as Exhibit Q to the Motion. A
28 true and accurate transcript of the conversation between

1 Armstrong, Mr. Whitfield and others as reflected on said
2 videotape is attached as Exhibit P to the Motion. During this
3 recorded interview, Armstrong makes the following statement:

4 . . . I cannot, except pursuant to a subpoena, assist
5 someone intending to file a claim or pressing a claim
6 against the organization. Now then we are appealing
7 even that narrow ruling, because that's unenforceable
8 because if you construe that my ... that this video
9 could possibly indirectly help someone in the future, I
10 can't do this. And not only that but if you consider
11 that my existence indirectly or directly helps someone,
12 then I'll oblige to take my own life. In other words,
13 I must stop breathing. It's unenforceable. I feel I
14 am completely at liberty to associate with whomever I
15 want, to talk to whomever I want, and I act and live
16 that way. And that is in part why I am here at this
17 event now, why I came to the CAN conference.

18 Exhibit P, p. 34.

19 On behalf of my client the Church, I allege that the
20 statements made by Armstrong as relayed in this paragraph are
21 further acknowledgements by Armstrong of his awareness of the May
22 28 Order, his ability to act in compliance of such order and his
23 intention to wilfully disobey its terms.

24 22. Mr. Whitfield is a defendant in the matter of Casillas
25 v. Jerry Whitfield, et al., Los Angeles County Municipal Court
26 No. 91K49349. My office represents Mr. Casillas in that action.
27 Mr. Casillas is a staff member of the Church and is suing Mr.
28 Whitfield and others for false imprisonment and false arrest.

I declare under penalty of perjury under the laws of the
State of California that the foregoing is true and correct.

Executed this 31st day of December, 1992 at Los Angeles,
California.

H:\ARMSTRON\BART.DEC


Laurie J. Bartilson

December 22, 1992

David Miscavige and all other individuals who participate in the control of Scientology
C/O Laurie J. Bartilson, Esquire
Bowles & Moxon
6255 Sunset Blvd., Suite 2000
Los Angeles, CA 90028

Re: Nothling v. Scientology

Dear David and all others involved:

I am writing this to you, and the various copy recipients listed below, because there are certain things it is fair that you know. Although it is the trial in the Nothling case, which, I understand, is set for early February, that has moved me to write at this time, the idea of writing has made addressing a number of other subjects also timely.

You will recall that in June of 1991 when Malcolm Nothling called me and asked me to testify in his case in Johannesburg I wrote to the organization via Eric Lieberman to see if by initiating communication on the subject you might see that there was an answer to your litigation problems different from the one you and your erstwhile leader had been believing in and pursuing as long as any of us can remember.

Mr. Lieberman wrote back, essentially advising me you said stick it in my ear, and that more, not less litigation was going to be the same old solution; and to not expect communication other than the solidest of sorts. Copies of Mr. Lieberman's and my letters are enclosed herewith.

I did travel to South Africa in 1991 to testify, as you know, but the trial was postponed on the organization's motion. Now it's set to happen again. Again Mr. Nothling has asked me to testify, again I have agreed, and again I am writing you to see if there is any sense in attempting to unfoment this litigation.

Your public attack line that Gerald Armstrong foments litigation against you is particularly hurtful because of what I have done and continue to do to unfoment litigation. Even my signing of your settlement agreement was, in the face of your intent to hurt me, which fact is settled by the agreement itself, an act only of unfomentation.

You all should take a good hard look at the hurt your practices, certainly your litigation practices, cause in the world. And you don't have to desist in them because of anything I've said. You can knock off those bad practices for any reason you want, including because they don't work and make no sense.

All the decent people, believe me, in your organization want you to get out of the stupid attack-the-attacker business, and they'd salute you for getting the organization out of that silliness, but they're too frightened. You shouldn't frighten good people that way. It's cruel. And any thinking soul knows that you guys are only acting out of fear, so you really are not fooling anyone with your blindness and bluster.

I realize you've put your faith in really bad things, like lies and PR, threats and bullying, and really mean people, like Gene Ingram. And I'm aware that having put your faith in badness for so long, and spent so many millions of dollars to have so many bad lawyers make so many bad decisions and add so much to their brethren's bad name, it can seem impossible to quit. But you must. All it will take is the willingness to unfoment your litigation.

Eugene M. Ingram has done such nasty things to so many people in the service of your organization, you and he should be spanked. His terrible charge at the CAN convention that I have AIDS is heartbreaking, not because I have AIDS, which I don't, but because your pet pit viper personalizes and focuses your organization's institutionalized hatred.

By accusing me of having AIDS, you and Ingram attack not just me, you attack the many people whose lives have been touched by this disease, or for that matter touched by your organization, and you attack yourself. Your similar-veined attacks on other people of good will at the CAN conference, like Father Kent Burtner, has brought your organization to ignomy.

But the target of faith can be rechosen. And that is where I urge sense and unfomentation. Put your faith in what is real, what is true, what can always be depended on. Put your faith in what in people is true, unchanging and ceaselessly loving. Putting your faith in lies, PR, threats, bullying and bullies you will always betray yourself because you put your faith in nothing; and you and every being everywhere have a right to everything that nothing isn't.

Likewise don't put your faith in litigation or your use of the courts to harass. It is possible to be faithful to a higher ideal than wins in court. If you have put your faith in lies, leverage, advantage and bullying to secure a win, you have gained nothing. If you put your faith in truth, hope, charity, love, no matter the courtroom outcome you have everything; that's religion.

Since the 1991 almost trial in the Nothling case the California Court of Appeal issued its opinion in the appeal you took from the Breckenridge decision in Armstrong I, the California Supreme Court denied review, and the Court of Appeal

denied your motion to seal the appellate record. You brought and lost the motion to enforce the settlement agreement before Judge Geernaert in Armstrong I, and then you sued me to enforce it in Armstrong II.

In May Judge Sohigian issued his ruling refusing to enforce the agreement, although enjoining me from testifying unless pursuant to a subpoena. He also ruled that I did not have to not make myself amenable to service of process. I will supply a copy of the Breckenridge decision, the Armstrong opinion and the Sohigian injunction to any of the recipients of this letter upon request.

Because you didn't appeal from the Sohigian injunction, you have accepted it. I believe as well that for a valueless desire for a valueless win at any cost you also accepted his dicta; e.g. "involves abusing people who are weak," "involves techniques of coercion," "a very, very substantial deviation between [your] conduct and standards of ordinary, courteous conduct and standards of ordinary, honest behavior," "be sure you cut the deck," "make sure to count all the chips."

As a result, I consider myself free to do anything anyone can, except testify absent a subpoena. Much of what I am permitted do I am going to do. I am going to write freely, speak freely, publish, talk to the media, associate freely, and continue, until you put your faith in something more religious than what is bad in jurisprudence, to confront the injustice you bring to court.

In the next month or so I expect to initiate speaking or media events to help pay the enormous costs of this litigation. And I expect to promote my legal position within the publishing industry, because my story and my writings on the subject are literarily and commercially worthy.

I will continue to associate with and befriend all those people I consider you attack unjustly and senselessly. I will make my knowledge and support available to the Cult Awareness Network, a group of people of good will you vilify, in all the litigation you have fomented against them. I will make my knowledge and support available to any Scientologist who is afraid to go anywhere else for understanding, and to the families of Scientologists your organization has estranged. I will even make my knowledge and support available to entities like Time and people like Rich Behar in their defenses from your attacks.

I will, nevertheless, remain available to do whatever I can to unfoment your litigation. I will meet with you, talk with you, help you to find a better solution to your problems. Because of your decision to not have anyone communicate with me, no one from your organization has. I get a little lawyer

contact, lots of PI BS, an OSA hearing or deposition attender, enough psychic skirmishes for an army, but, for the life of me, no real people.

In 1991, fantastically, I was the only person in the world, other than Malcolm Nothling himself, who was willing to testify at his trial. And that was enough reason to go. In February 1993, although at this trial I probably won't be the only person willing to testify, there will still be ample reasons to go, unless the case can be resolved.

I really would rather there was no trial and I really would rather not go. Lord knows this last period has been overwhelming and the litigation behemoth terrifying; and Lord knows I have my own calling, which has nothing to do with your legal problems. So I'm willing to do a lot to unfoment the Nothling litigation, and all the tangled legal webs you've woven. But I sure can't do much if you continue to see legal warfare as the solution to your problems and continue to pay the millions your legal mercenaries say the warfare costs.

I am aware that with enough money to enough lawyers you, the leaders of your organization, can hide yourselves and make your roles in your trumped-up war seem very important. There is no doubt this is desirable, it just isn't fair. The real purpose of your little war is to facilitate your doing something different from Scientology, while all those whom you control must go through the daily grind you say you're above.

I don't fault you for doing something different from Scientology, but I do not find acceptable your holding Scientologists in bondage to your catastrophic cause, enforcing your lie that you have their best interests in mind, robbing their years of youth and vigor, and putting them at risk while you show up at the occasional ribbon cutting ceremony, lunch with lawyers and the like, sucker celebs, run PIs and intel ops, conspire, cheat, lie, steal, bully and destroy. I urge something more creative as a better idea.

Your hardworking staff members and people of good will around the world who have supported you financially and spiritually will not for much longer be fooled by your foolishness and will stop believing your lies. They will speak to each other, they will speak out against your suppression, and they will act to free themselves and their friends. You cannot much longer, as we move societally into the age of wisdom, cynically and sillily intimidate good people with threat and suppress good people with lies.

There is the matter of mitigation of damages which, because you insist your lawyers tell you what you pay them to say, you may not have heard or yet understood. In that by the Sohigian

ruling I am permitted to speak freely, write freely, publish freely, associate freely, when, it could be argued, and you have, that prior to the ruling and pursuant to the settlement agreement I was not so permitted, I have, in your attempt to enforce the agreement, prevailed.

By not appealing the Sohigian ruling you have acquiesced thereto. I am therefore due costs and fees in Armstrong II plus the costs and fees you already owe in your earlier losing and unappealed effort in Armstrong I. But in addition to the fees and costs now owing, and increasing as you protract this already lost litigation, there is the cumulative effect of your legal onslaught which, continuing after the case was lost, if not before, is in every minute malicious.

Gerald Armstrong and The Gerald Armstrong Corporation (TGAC) must also mitigate their damages. I have a duty, therefore, to end this litigation as quickly as possible. Thus I write to so many organizational recipients; thus I canvass to see if within the organization's many parts, all put at risk by their leaders' asininity and mean-spiritedness, there are people of good will who will see sense in what is in their best interest.

That after the Sohigian ruling you sued TGAC (pronounce that Tee-Gee-Ack) is silly and self-destructive. The only thing in the world Gerald Armstrong, individual, is prohibited from doing by the "injunction," is testifying about his Scientology history and knowledge without first accepting the perfunctory subpoena. TGAC only came into existence in 1987, six years after Gerald Armstrong's organization experiences ended, and a year after the Armstrong I litigation "settled."

TGAC cannot testify, with or without subpoena, about any Scientology experiences, because it has had, aside from those which have flowed from your lawsuit, none. Since no one, including TGAC, is prohibited by Sohigian from doing any of the things TGAC actually is capable of doing, it is free to do everything anyone or any other corporation can; and by not appealing the injunction you have so agreed. Thus, having no conceivably legitimate claim against TGAC, you depend on one manufactured from madness, and you must therefore dismiss the mess you've made.

There is also, as mentioned above, the fact that in order to defend myself from your attacks and to fund the defense of the litigation you have fomented I must speak and must publish. I'm sure you understand that I remain completely confident that no court, other than the odd one your mercenaries are able to compromise with bucks, babes or bull, will order me to not defend myself.

I realize you will probably claim to be offended by

everything I've written in this letter. I can't do much about that because you seem to take offense no matter what I say or write, or don't. For, *inter alia*, that reason I haven't said or written it differently. I really don't blame you for being offended and I don't expect you not to be offended; nor will I be offended if you are. I think my position is obvious and I think peace is worth doing something about, even if the fomenters of war are offended. I've used the words I've used because to me they make sense and they're a facet of my craft.

This letter is not really, however you may take it, a complaint nor an attack. It is an effort to unfoment your litigation, into which I have been, albeit for some God-given purpose, drawn. So, neither forgetting nor ignoring Judge Sohigian's admonition not to settle Armstrong II, but still hoping, with my heart crossed, here is my proposal:

1. Settle the Nothling case;
2. Settle with Ed Roberts;
3. Dismiss your complaint against TGAC and Gerald Armstrong;
4. Remove all your bar complaints against Ford Greene;
5. Pay my attorney fees and costs;
6. We will dismiss the cross-complaint and appeal;
7. Cancel the agreement;
8. Return all materials you've stolen from me at any time;
9. Pay me whatever you want, including, but not limited to, nothing.

1. Malcolm Nothling has a claim and he has survived a lot to get to trial. His costs, not much by US litigation standards, must be recognized, and he must be made whole financially, ethically and publicly. I am convinced that his daughter, but for your control of her mother and her life, would enjoy a healthy, loving relationship with her father. Therefore you must do whatever is within your power to reunite them.

2. You know about the Ed Roberts case because Ms. Bartilson interrogated me about my providing assistance to Mr. Roberts in my last series of depositions in Armstrong II, and one of your lawyers, Marcello Di Mauro, in earlier times communicated about him with Ford Greene. Ed Roberts is a friend of mine who

was sucked dry and flat out robbed by your registrars on the way to an up- or downstat week of no consequence to anyone as it turns out, and always does, but Ed.

I have found myself in the silly position of being the only person in the world willing to help Mr. Roberts against your organization. Again, I have no desire to have Mr. Roberts engage you in litigation. In fact his situation can be resolved without your fomenting not only more litigation, but more ill will and silliness. For you it is merely an accounting matter. You ripped Mr. Roberts off; now pay him what is needed to make him whole again.

Mr. Roberts' case of Scientology lies, threats, treachery and thievery, his own money then used to pay your pittanceless pettifoggers to prevent him from anything resembling redress, is being played and replayed every day of the year in your orgs. I would think that the three or so million you wasted on your inane USA Today ads to counter Richard Behar's few good pages could have taken care of three hundred Mr. Roberts and done a heap of good.

All your ads did was a heap of bad: more lies, more hate, more embarrassment for Scientologists everywhere, another dead forest, and an uncharitable little delay to your victims before they are made whole. The Ed Roberts case is, in my opinion, the proof of Time's theme: that you are - all of you at the top of your organization - a cult of greed. But worse, you squander your plunder, as witness Toronto, starve the good and fatten your PIs and proctors and their proctologists. And all with the fatuous excuse of a right to defend wrongness and attack rightness because your "religion's" stupidity is, in our courts of law, beyond question.

Anyway I want to have Ed's needs taken care of toot sweet. He probably wouldn't think less of you if you didn't apologize, but I think it's a good idea and sure couldn't hurt.

3. I don't care what order everything is done in. I think whatever is most practical, sensible and ergonomically sound is the way to approach this particular program, which, I'm sure can be wrapped up in a couple of days.

4. This is easy. These Ingram-generated efforts have only served to shine a light on your invidiously scheming enterprise. All your similarly baseless bar complaints against my other lawyer, Michael Flynn, came to nothing. You should learn from the earthworms. Filing no spurious bar complaints whatsoever they demonstrate their superior philosophy.

5. Although they're in the range of, I don't think fees and costs are over \$500,000. Clearly nothing is going to happen

unless you cover my attorneys' fees and costs. To leave me with that indebtedness is unfair and unworkable. You will recall that I made a proposal in 1984, being then scared and weak: pay my lawyers' fees and costs of, I guessed, \$150,000, and I'll quit. You, and in those days, Hubbard, said no way. I, less scared and much stronger, urge you to choose again.

6. Dismissal of the cross-complaint is easy. I'll take care of it.

8. I'm aware this may for a long time remain a pettiness you'd rather not confront. But I can guarantee that if you return my materials - the Hubbard letters manuscript, the Cones, all the other materials you and your PIs have stolen from me over the years, I will not bring criminal charges, and I won't even bring the subject up again.

9. You have to cancel the settlement agreement in order to demonstrate to yourselves that it was the wrong thing in which to put your faith. You will notice that when you cancel the agreement nothing will happen. Yet you will have freed me. And that is what you should make Scientology's only business: freeing people. You will also observe that when you free me you free yourselves; in fact you cannot yourselves be free unless you free me.

Regarding my relationship with you after you cancel the agreement, that is where you must reassert your faith. Have the faith that I will neither say nor write worse things about you if you free me to do so. As you know I can say some pretty pointed things about you now just because you won't cancel that degrading document. Put faith in what occurs in silence. Put faith in the inevitable.

7. You decide. If you think I did a lousy job unfomenting your litigation, pay me zippo. Even if it all works for everyone, timing inspired and ideas a Godsend, you don't have to pay me anything. I generally don't refuse what's offered. You know how much I'm worth.

I haven't forgotten Wollersheim, Yanny I & II, the Aznarans, the CAN litigation, claimants all over the place, your government lawsuits, the rest of the settlement signatories, your taxes, nor your image and media distress, and I think it's appropriate to say that I can help you unfoment those problems as well. I would, of course, need half a chance.

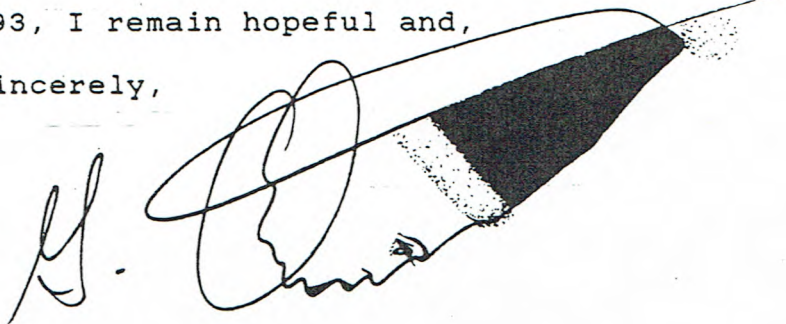
If you look deep in your hearts I believe you'll find you really do not want Scientology's legacy to be one of suppression; suppression of the Constitution, human dignity, truth, religion, justice, even suppression of your own good selves. Wouldn't it be better to be known as the people who ended the madness in

peace and style; a radical recognition of the transcendence of quantum scientology. LRH was Newtonian in his physics and relativistic epistemologically. I like to call one aspect of my philosophy, *inter alia* non-mutual exclusivity.

I believe that everyone will become a person of good will, that everyone already is, has been and will forever be, that there is progress and perfection, hope and reason, that to know who we are we must accept the truth of our relationship to our Creator, that all about us that we made is illusion, that we have reason to be grateful that is so, that our Creator, God, our Father Loves us in the same Love by which He created us and holds us always safe and always loved in that Love, that we, His children, are one and One with Him, that the means by which He is remembered, and hence our relationship, and hence who we are, and hence what we know, is forgiveness, that forgiveness is the recognizing of illusion for what it is, that creation is our nature, and that everything is all there is.

With a wish for peace in 1993, I remain hopeful and,

yours sincerely,

A large, stylized handwritten signature, likely of Gerald Armstrong, written in black ink. The signature is fluid and cursive, with a prominent loop and a long, sweeping tail that extends towards the right edge of the page.

Gerald Armstrong
715 Sir Francis Drake Blvd.
San Anselmo, CA 949650
(415)456-8450

:ga

cc: Malcolm Nothling
Ed Roberts
Lawrence Wollersheim
Richard & Vicki Aznaran
Richard Behar
Ford Greene, Esquire
Paul Morantz, Esquire
Joseph A. Yanny, Esquire
Toby L. Plevin, Esquire
Graham E. Berry, Esquire
Stuart Cutler, Esquire
Anthony Laing, Esquire
John C. Elstead, Esquire
Michael J. Flynn, Esquire
Fr. Kent Burtner

Margaret Singer, PhD.
Cult Awareness Network
Daniel A. Leipold, Esquire
Church of Scientology International
Church of Scientology of California
Religious Technology Center
Church of Spiritual Technology
Church of Scientology ASHO
Church of Scientology AOL
Founding Church of Scientology of Washington, D.C.
Church of Scientology Flag Service Organization
Church of Scientology of Arizona
Church of Scientology of Los Angeles
Church of Scientology of Stevens Creek
Church of Scientology of Sacramento
Church of Scientology of San Francisco
Church of Scientology of Washington State
Church of Scientology of Boston
Church of Scientology of Portland
Church of Scientology of New York

RABINOWITZ, BOUDIN, STANDARD, KRINSKY & LIEBERMAN, P.C.
ATTORNEYS AT LAW
740 BROADWAY AT ASTOR PLACE
NEW YORK, N.Y. 10003-9518

TELEPHONE (212) 254-1111
CABLE "RABOUDIN, N.Y." TELEX 225028
FACSIMILE (212) 674-4614

LEONARD B. BOUDIN (1912-1989)
MICHAEL B. STANDARD
MICHAEL KRINSKY
ERIC M. LIEBERMAN
ELLEN J. WINNER
EDWARD COPELAND
ELIZABETH ST. CLAIR
TERRY GROSS

BETH M. MARGOLIS
NICHOLAS E. POSER
DAVID B. GOLDSTEIN
DAVID GOLOVE*
HILLARY RICHARD
LINDA S. BOSNIAK

*ADMITTED IN CALIFORNIA ONLY

COUNSEL
VICTOR RABINOWITZ
HAYWOOD BURNS
LEONARD I. WEINGLASS
JOHN MAGE
JUDITH LEVIN

7-10-91

July 3, 1991

Gerald Armstrong
P.O. Box 751
San Anselmo, California 94960

Re: Malcolm Nuthling v. Church of Scientology

Dear Mr. Armstrong:

I have your letter of June 21. The Church is not interested in trying to settle the Malcolm Nuthling case in South Africa through your intervention. In addition, it is the position of the Church that any voluntary agreement by you to testify in such a case, in South Africa, without compulsion of subpoena, would violate your settlement agreement.

Very truly yours,

Eric Lieberman
Eric M. Lieberman

EML/sl

June 21, 1991

Eric M. Lieberman, Esq.

Rabinowitz, Boudin, etc.

740 Broadway, Fifth floor

New York, NY 10003

Via Federal Express

Dear Mr. Lieberman:

I received a call yesterday from Malcolm Rothling, the plaintiff in a defamation case against the organization in South Africa. He asked me to testify at the trial in early August.

(2)

After listening to his story and his understanding of organization philosophy and practises I agreed. I said, however, that I would first attempt to bring about a peaceful resolution of the Scientology-ogy conflict. Hence I'm writing you.

You will receive a photocopy of this letter because the original of my significant holographs are the property of a third party corporation by

(3.)

contract. I will, nevertheless, sign the photocopy, not so much because you or the organization representatives might doubt that I am the writer, but to add fifteen dollars to the value of your archive.

And all of that is just another way of saying that serious matters are nothing to lose a sense of humor over.

I am certain that the Nothing matter

(4)

can be resolved easily with the following organizational actions:

1. A sincere public apology for its "declare" and other antisocial acts.

2. A sincere, public and complete repudiation of "fair" game," philosophy of attack, vengeance and hatred, and elimination from Scientology literature of all policies advocating such philosophy.

3. Monetary settlement.

Mr. Nothling says he has no hope that the organization would do

(5.)

any of 1-3; and I recognize that it has exhibited no sign of rethinking its antisocial philosophy and practices. I also recognize that someday it will, and I do what I do because I believe it can be without, and not compelled by, a great human tragedy.

Thus far the organization has attempted to solve its problems with aggrieved individuals with mere monetary settlements and the occasional insin-

ere announcement; e.g.,

(Total) Hubbard's famous elimination of the term "fair game," because it "causes bad PR," or the more recent blaming of the GO for all things bad and bastardly.

And so the organization has brought upon itself more problems and made more aggrieved individuals who seek sincerity but end up taking insincerity and money.

Because I will go wherever my help is
 if asked for I will
 continue until the

⑦
organization sincerely den-
ounces "fair" game" in
all its forms, or kills
me. It should be under-
stood that I have many
things to do in my work,
far more important than
the application of ethics
to the organization of Sci-
entology. I do this
because it is asked of
me by those aggrieved.
When there are no longer
any aggrieved asking for my
help I will do something
else. Clearly there are
others aggrieved by other
organizations or nations who

can use my help. They
simply have not asked
for it. It may be
that the Scientology issue
must be resolved in my
life before I am called
to help the others. I
am not, and I'm sure
you're also not, unaware
that the organization has
used my willingness to
respond to requests for
my help to entrap me
and attack me. The
only observable effect of
the organization's ops and
web of deceit has been
an increasing willingness

⑨
to help those likewise
aggrieved by them.

I truly believe that
the organization's problems
can be easily eliminated.
It can only be done phil-
osophically; and since
its philosophy contains
within it the philosophical
idea that its philosophy
cannot be changed, it
continues to appear that
nothing can be done.
That fact does not make
a philosophic shift
difficult, it simply
means that it's a

pretty silly ^(10.) philosophy.

Hubbard didn't have any original ideas just because there are ~~or~~ no original ideas. There are only two ideas and Hubbard chose the least effective and most boring of the two; the same idea which prevails in society. He wasn't worse than everyone else; he was the same. Scientology, by espousing the same idea as Hubbard and everyone else is ineffective and boring.

The real opposition is to Scientology's insistence

⑪
that it is a religion. It
isn't. It could be, but
it isn't. And it isn't
no matter what any gov-
ernment says it is, or
any court or any lawyer.

Almost the last people
you'd want determining
what is or is not a rel-
igion are judges and
lawyers, since their
profession depends on conflict,
which within a religion
cannot exist.

Among all human
activities there is only
one which is religious —
forgiveness. And that,

(12.)

technically, and in every sense,
is the recognition that
what needs to be forgiven
didn't happen. It is
somewhat difficult, of
course, for the organiz-
ation, which uses people's
posts against them, to
understand this simple
fact.

I am certain that
Hubbard caught a glimmer
of this understanding,
but did not triumph
over his fear so chose
instead of forgiveness, con-
demnation. There is
nothing within that

(13)

choice which threatens reality, or for which Hubbard should be condemned. It is merely not religion.

All of the things the organization does can be done by non-religious organizations or individuals. But forgiveness can only be done by the religious. Scientology, by publishing and defending its policy of unforgiveness; i.e., "fair game," "attack the attacker," SP declares, sec checks, lower conditions, etc., etc., is not to be condemned;

(14)

it is to be forgiven; but
it is not a religion.

A church's only function
is forgiveness and sanctuary.
Since Scientology collects the
facts of its members' past,
for control, or any purpose,
it is not a church. The
lawyers and courts may
call it a church, but
it is like any non-church
organization; e.g., KGB,
~~the~~ republican party, etc.

A church to be a church
cannot maintain a cause
of action. Others, carrying
out their purpose, might

(15)

choose to defend it, but
a church, to be a
church, would not
defend itself. Of course,
an organization with a
stated senior policy that
the best defense is attack,
cannot be a church.

The world would
welcome Scientology's doing
something effective, yet
condemnation, attack and
hatred are without effect,
and so the world continues
to wait. And the
Scientologists continue the
boredom of unforgiving

(16)

live, and the lawyers
and the few in control
get rich and stay bored.

And yes there are un-
forgiving and bored on

both sides. But the
forgiving are on no side.

And I go where I'm asked
to help. You haven't

asked but I hope this
helps anyway.

Mr. Rothling will call
me in about a week.

I'll be reachable until
then at (604) 795-5852.

(17.)

I believe you understand
whence I come, and I
believe someone can do
something.

Very truly yours,

H. P.

1 SUPERIOR COURT OF THE STATE OF CALIFORNIA
2 FOR THE COUNTY OF LOS ANGELES
3 DEPARTMENT NO. 86 HON. DIANE WAYNE, JUDGE

4
5 CHURCH OF SCIENTOLOGY,)
6 Plaintiff,)
7 vs.) NO. BC 052 395
8 GERALD ARMSTRONG, et al.,)
9 Defendants.)
10

11
12 TRANSCRIPT OF PROCEEDINGS

13 March 5, 1993

14
15 APPEARANCES:

16 (See appearance page.)
17
18
19
20
21
22
23
24

25 COPY

26
27 COURT MONITOR:
28 TRANSCRIPTION BY:

E. VELASCO
FOX TRANSCRIPTIONS

1 APPEARANCES:

2 For Plaintiff:

ANDREW WILSON
Attorney-at-Law
Suite 450
235 Montgomery
San Francisco, CA 94104
(415) 391-3900

6 BOWLES & MOXON
BY: LAURIE J. BARTILSON
Suite 2000
6255 Sunset Boulevard
Hollywood, CA 90028
(213) 661-4030

10 For Defendants:

HUB LAW OFFICES
BY: FORD GREENE
711 Sir Francis Drake Boulevard
San Anselmo, CA 94960
(415) 258-0360

13 PAUL MORANTZ
Attorney-at-Law
P. O. Box 511
Pacific Palisades, CA 90272
(310) 459-4745

1 LOS ANGELES, CALIFORNIA, FRIDAY, MARCH 5, 1993, A.M.

2 DEPARTMENT NO. 86

HON. DIANE WAYNE, JUDGE

3
4 THE COURT: Church of Scientology versus Armstrong.

5 MR. WILSON: Good morning, Your Honor.

6 Andrew Wilson and Laurie Bartilson appearing on
7 behalf of the plaintiff, Church of Scientology.

8 MR. GREENE: Good morning, Your Honor.

9 Ford Greene and Paul Morantz on behalf of Gerald
10 Armstrong, who is sitting at the end of counsel table.

11 MR. WILSON: Your Honor, before we begin I'd like to
12 ask the court's permission to have Mr. Michael Hertzberg sit
13 at counsel table with me. He's not counsel in this action.
14 He's a New York attorney who represented my client in the
15 previous Armstrong action on the appeal.

16 THE COURT: It won't be necessary because we're not
17 going to go very far.

18 Gentlemen, let me ask -- I'm sorry.

19 MR. WILSON: Okay.

20 THE COURT: This case is on appeal?

21 MR. WILSON: Yes.

22 THE COURT: And it just seems to me -- you're the
23 moving party?

24 MR. WILSON: That's correct.

25 THE COURT: It seems to me ridiculous to hold this
26 hearing prior to a determination whether or not this is a
27 valid order. I mean, I have some serious questions about the
28 validity of the order. And I'm not prepared to waste my

1 time, if it's going to be heard. And apparently it's going
2 to be heard very soon, because the briefs have already been
3 filed and one is left to be filed; is that correct?

4 MR. GREENE: Actually, Your Honor, the respondent's
5 brief is due. Scientology's brief is due on March 22nd.

6 THE COURT: The respondent being the moving party here?

7 MR. GREENE: Being the moving party here and the
8 plaintiff in the action. And, as we noted in a footnote in
9 our papers and we were going to call the court's attention to
10 that fact again this morning.

11 THE COURT: It just seems like an inordinate waste of
12 our time.

13 MR. WILSON: May I address that point?

14 THE COURT: Sure. You can address, but --

15 MR. WILSON: And I will attempt to convince you.

16 THE COURT: You're not. Especially after seeing all
17 the papers you filed.

18 MR. WILSON: The point here is not whether
19 Judge Sohigian made an error.

20 THE COURT: No, no. I absolutely agree and I would not
21 relitigate the validity of the order and I'm not going to
22 relitigate that. And I think you're absolutely right. But
23 it does have to be a valid order.

24 Now, I don't know how broadly or narrowly you
25 find that but I think that it's stupid for me to waste my
26 time, your time, deciding whether or not Mr. Armstrong is in
27 actual contempt of an order that may be set aside.

28 MR. WILSON: I agree it would not be a good use of your

1 time.

2 THE COURT: Well, I don't mean that my time is so
3 valuable. I don't mean it in that sense.

4 MR. WILSON: It would not be a good use of judicial
5 time, but I don't believe that any of the issues --

6 THE COURT: That's not my personal time that I'm
7 talking about.

8 MR. WILSON: I don't believe that any of the issues
9 that are going to be addressed on appeal will solve the
10 problem of whether Mr. Armstrong should be held in contempt
11 for this very simple reason:

12 The cases say that the only excuse that
13 Mr. Armstrong could have for violating this court's order
14 would be if the court did not have jurisdiction. And the
15 cases talk about what that jurisdiction is and it's either
16 personal jurisdiction and subject matter jurisdiction.

17 There's no question that Judge Sohigian had
18 jurisdiction to issue this order. Mr. Greene tries to
19 bootstrap his arguments, which are essentially arguments that
20 Judge Sohigian's order was wrong, into arguments that
21 Judge Sohigian did not have jurisdiction.

22 But if you look at the cases that we've cited --
23 and I think this is a very important point -- particularly
24 the Walker v. City of Birmingham case, where in that case
25 there was an injunction issued against people marching, a
26 Civil Rights march, that involved the infamous Bull Connor,
27 who didn't give them a permit. A court enjoined them; they
28 violated the injunction and it went all the way up to the

1 Supreme Court.

2 And the Supreme Court said it doesn't matter this
3 ordinance was unconstitutional; it doesn't matter whether
4 your rights of free speech were violated. What matters is
5 you cannot disobey the order of the court.

6 And in the Walker case the Supreme Court made a
7 statement, and I'd like to read it to you briefly. And the
8 court said, "Without question, the state court that issued
9 the injunction had, as a court of equity, jurisdiction over
10 the petitioners and over the subject matter of the
11 controversy. And this is not a case where the injunction was
12 transparently invalid or had only a frivolous pretense to
13 validity.

14 We have consistently recognized the strong
15 interest of state and local governments in regulating the use
16 of their streets and other public places."

17 I submit to the court that the interest here that
18 the court has in making sure its orders are obeyed is at
19 least as strong as the interest of the State in Walker in
20 regulating its streets and public ways.

21 What's going on here is not that Mr. Armstrong is
22 involved in this hearing against the Church of Scientology.
23 This is a case of Mr. Armstrong against this court. There is
24 an order of this court and he violated it. That's what's
25 relevant here and there's no issue before the appellate court
26 that's going to resolve that.

27 THE COURT: Oh, but I think there is. And that's
28 whether or not this is an order --

1 I'll tell you, when I first looked at this order,
2 I thought the order was clear until I then read part of the
3 transcript. Then it became unclear to me. And I think that
4 is in front of the appellate court, whether or not this is an
5 order capable of being followed, because Judge Sohigian's
6 comments that at least it confused me a little bit.

7 So I do think that issue is there and I'm going
8 to put this matter over until I think that will be decided
9 without prejudice to anybody's rights and I would suggest
10 that you return in June. I think that would give us
11 sufficient time.

12 Your Honor, my concern -- and I know this is not
13 before the court, but my concern is that Mr. Armstrong has
14 stated in deposition -- you've probably seen that
15 statement -- he's not going to obey this agreement no matter
16 what a court says.

17 We have put forth numerous instances in which we
18 believe he is --

19 THE COURT: If that's a valid order, each time he
20 disobeys it, he faces five days in jail. I take contempt
21 very seriously. And, I mean, I don't treat it lightly and he
22 just does it at his peril.

23 MR. WILSON: Thank you.

24 THE COURT: All right. Let's pick a date in June. Why
25 don't we make it June 1st.

26 MR. WILSON: May I be able to look at my calendar?

27 THE COURT: Sure.

28 MR. GREENE: These proceedings are being electronically

1 recorded; right, Judge? Could we get a transcript.

2 THE COURT: Yes.

3 MR. GREENE: Thank you, Your Honor.

4 MS. BARTILSON: Your Honor, the case is scheduled for
5 trial May 3rd. Judge Horowitz found no problem with going
6 forward on the trial of this case, despite the appeal. And
7 essentially the message that I hear Mr. Armstrong being told
8 is you do the contempt at your peril, but by filing an
9 appeal, no matter how frivolous, you can avoid an order of
10 the court.

11 THE COURT: You know what? I don't try to interrupt
12 you, so try not to interrupt me. All right.

13 MS. BARTILSON: I'm sorry. I apologize, Your Honor.

14 THE COURT: Is June 1st all right?

15 MR. GREENE: For me it's not, Your Honor. I have a
16 conflict and maybe I can change that conflict, so I'll try.

17 THE COURT: June 1st. Is that all right for you?

18 MR. WILSON: Yes, it is, Your Honor.

19 THE COURT: We'll see you back here June 1st.

20 Mr. Armstrong, you are ordered to return on
21 June 1st at 9:30.

22 MR. GREENE: Thank you, Your Honor.

23
24 (Proceedings concluded.)
25
26
27
28

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 86

HON. DIANE WAYNE, JUDGE

CHURCH OF SCIENTOLOGY,

Plaintiff,

vs.

GERALD ARMSTRONG, et al.,

Defendants.

NO. BC 052 395

STATE OF CALIFORNIA)

) ss.

COUNTY OF LOS ANGELES)

I, MARIE FOX, a duly designated transcriber, do hereby declare and certify under penalty of perjury that I have caused to be transcribed the portion of tape 1 which was duly recorded in the Superior Court of the State of California, County of Los Angeles, Department 86, on the 5th day of March, 1993, in the above-mentioned case, and that the foregoing 6 pages comprise a true and correct, accurate transcription of the aforementioned tape.

Dated this 19th day of March, 1993.

Harmon, Fy COPY

Transcriber

1 Andrew H. Wilson
2 WILSON, RYAN, BLUM & CAMPILONGO
3 235 Montgomery Street
4 Suite 450
5 San Francisco, California 94104
6 (415) 391-3900

7 Laurie J. Bartilson
8 BOWLES & MOXON
9 6255 Sunset Boulevard
10 Suite 2000
11 Hollywood, California 90028
12 (213) 661-4030

13 Attorneys for Plaintiff
14 CHURCH OF SCIENTOLOGY INTERNATIONAL
15

RECEIVED

MAY 08 1992

HUB LAW OFFICES

16 SUPERIOR COURT OF THE STATE OF CALIFORNIA

17 FOR THE COUNTY OF LOS ANGELES

18 CHURCH OF SCIENTOLOGY OF	)	Case No. BC 052395
19 INTERNATIONAL, a California	)	(Marin County Superior Court
20 not-for-profit religious	)	Case No. 152229)
21 corporation;)	
	)	RENEWED NOTICE OF MOTION AND
22 Plaintiff,	)	AND MOTION FOR PRELIMINARY
	)	INJUNCTION
23 vs.)	
	)	DATE: May 14, 1992
24 GERALD ARMSTRONG and DOES 1	)	TIME: 8:30 a.m.
25 through 25, inclusive,	)	DEPT: 86
)	
26 Defendants.	)	NO TRIAL DATE SET
	)	NO DISCOVERY CUT OFF
	)	NO MOTION CUT OFF

27 TO DEFENDANTS AND THEIR COUNSEL OF RECORD:

28 PLEASE TAKE NOTICE that by order of the above-entitled
Court, on May 14, 1992 at 8:30 a.m., or as soon thereafter as the
matter may be heard, in Department 86 of the above-entitled
Court, plaintiff Church of Scientology International (the
"Church") by this renewed Motion will seek an Order converting
the temporary restraining order entered in this case, prior to
its transfer to Los Angeles Superior Court, by the Honorable

1 Michael B. Dufficy, into a preliminary injunction, enjoining
2 defendant Gerald Armstrong ("Armstrong") and all others acting in
3 concert or participation therewith, or any of them, from
4 violating any and all provisions of the settlement agreement
5 entered into by the Church and Armstrong in December of 1986,
6 pending resolution of this action. A true and correct copy of
7 Judge Dufficy's order is attached hereto as Exhibit A.

8 This action was originally filed in Marin County,
9 California, where Armstrong resides. The instant motion was set
10 to be heard on March 20, 1992. However, on Armstrong's motion,
11 on March 20, 1992, Judge Dufficy ordered the case transferred to
12 this Court, and continued the hearing on plaintiff's pending and
13 fully briefed Motion for Preliminary Injunction so that it could
14 be heard before this Court. At the same time, Judge Dufficy
15 continued a Temporary Restraining Order which he had previously
16 entered, in force and effect until and including May 4, 1992, so
17 as to permit the Church to bring this renewed motion.

18 The relief sought by this renewed Motion is based upon this
19 renewed Motion itself; plaintiff's Complaint; the Memorandum of
20 Points and Authorities and Evidence in support of the Motion for
21 Preliminary Injunction previously submitted to the Marin County
22 Superior Court on February 4, 1992; Plaintiff's Reply to
23 Defendant's Opposition to Plaintiff's Motion for Preliminary
24 Injunction, previously submitted to the Marin County Superior
25 Court on March 19, 1992; the pleadings, records and other papers
26 on file in this matter; and such other evidence as the Court may
27 receive upon the hearing of this Motion.

28 Plaintiff has been informed that the Court has not yet

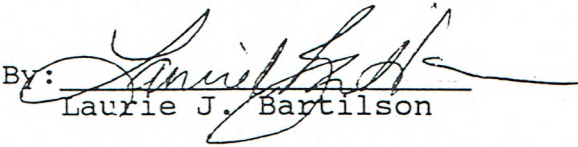
1 received the full file from Marin County. Accordingly,
2 plaintiffs are submitting to the Court courtesy copies of the
3 papers and evidence which plaintiff previously filed with the
4 Marin Court in support of its motion for preliminary injunction.
5 The original, signed declarations are all contained in the files
6 which were submitted to the Marin Court.

7 Dated: April 30, 1992

Respectfully submitted,

8 Andrew H. Wilson
9 WILSON, RYAN, BLUM &
CAMPILONGO

10 BOWLES & MOXON

11
12 By: 
Laurie J. Bartilson

13 Attorneys for Plaintiff
14 CHURCH OF SCIENTOLOGY
15 INTERNATIONAL
16
17
18
19
20
21
22
23
24
25
26
27
28

1 Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
2 235 Montgomery Street
Suite 450
3 San Francisco, California 94104
(415) 391-3900

RECEIVED

MAY 11 1992

HUB LAW OFFICES

4 Laurie J. Bartilson
5 BOWLES & MOXON
6255 Sunset Boulevard
6 Suite 2000
Hollywood, California 90028
7 (213) 661-4030

8 Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF LOS ANGELES

11 CHURCH OF SCIENTOLOGY OF) Case No. BC 052395
12 INTERNATIONAL, a California)
not-for-profit religious) AMENDED MEMORANDUM OF POINTS
13 corporation;) AND AUTHORITIES IN SUPPORT OF
14) PLAINTIFF'S MOTION FOR PRELIMINARY
15) INJUNCTION FOR BREACH OF
16) CONTRACT
17)
18 Plaintiff,)
19 vs.) DATE: May 14, 1992
20) TIME: 8:30 a.m.
GERALD ARMSTRONG and DOES 1) DEPT: 86
through 25, inclusive,)
21) DISCOVERY CUTOFF: None
22) MOTION CUTOFF: None
23 Defendants.) TRIAL DATE: None
24)
25)
26)
27)
28)

TABLE OF CONTENTS

	<u>Page</u>
I. PRELIMINARY STATEMENT	1
II. STATEMENT OF FACTS	3
A. The Settlement Agreement	3
B. Armstrong Has Violated the Settlement Agreement . .	5
1. Armstrong Violated The Agreement By Providing Aid To Anti-Church Litigants Vicki And Richard Aznaran Through His Employment By Joseph A. Yanny As A Paralegal	5
2. Armstrong Also Violated the Agreement by Aiding Yanny in Litigation Against the Church	6
3. Armstrong Violated the Agreement by Helping Ford Greene With the Aznaran Case . .	7
III. ARGUMENT	9
A. An Injunction May Be Granted To Prevent The Breach Of A Contract The Performance Of Which Would Be Specifically Enforced	9
B. Preservation of The Status Quo And Prevention of Irreparable Injury Requires The Court to Grant Plaintiff's Application	10
1. The Status Quo Will Be Maintained Only By Granting Plaintiff's Motion	12
2. The Church Will Be Irreparably Harmed Absent the Issuance of an Injunction	12
C. A Balancing Of The Equities Requires The Court To Grant Plaintiff's Motion	13
1. Plaintiff Is Likely To Prevail On The Merits .	14
2. The Interim Harm That Plaintiff Will Suffer Absent An Injunction Exceeds Any Harm to Armstrong If Injunctive Relief Is Granted . .	14
IV. CONCLUSION	14

TABLE OF AUTHORITIES

Page(s)

CASES

<u>McLean v. Church of Scientology of California</u> (11th Cir. 1991) ___ F.2d ___ No. 89-3505	11
<u>Robbins v. Superior Court</u> (1985) 38 Cal.3d 199, 211 Cal.Rptr. 398	13
<u>Southern Christian Leadership Conference of Greater Los Angeles v. Al Malaikah Auditorium Co.</u> (1991) 230 Cal.App.3d 207, 281 Cal.Rptr. 216	9,10
<u>Steinmeyer v. Warner Consolidated Corp.</u> (1974) 42 Cal.App.3d 515, 116 Cal.Rptr. 57	9
<u>Taramind Lithography Workshop, Inc. v. Sanders</u> (1983) 143 Cal.App.3d. 571, 193 Cal.Rptr. 409	10
<u>Wakefield v. Church of Scientology of California</u> (11th Cir. 1991) ___ F.2d ___	10,11
<u>West Coast Construction Company v. Oceano Sanitary District</u> (1971) 17 Cal.App.3d 693, 95 Cal.Rptr. 169	13

STATUTES

California Code of Civil Procedure § 526	9,12
California Code of Civil Procedure § 526(5)	10
California Civil Code § 3389	10

1 I. PRELIMINARY STATEMENT

2 In December, 1986, plaintiff Church of Scientology International ("the
3 Church" or "plaintiff") sought to end a period of long and bitter
4 harassment and attack from former-member Gerald Armstrong ("Armstrong" or
5 "defendant"). Armstrong, who had been expelled from the Scientology
6 religion after stealing confidential documents belonging to the religion's
7 Founder, L. Ron Hubbard, entered into a campaign of activities, both overt
8 and covert, intended to divide Church members from the ecclesiastical
9 leaders of the Church, forge incriminating documents and plant them in
10 Church files, stage a raid on Church facilities by government officials on
11 the basis of the forged documents planted in Church files, get Church
12 members to disaffect and file lawsuits against the Church on the basis of
13 naked allegations insupportable by any evidence and, in Armstrong's own
14 words, "to create as much s--- as possible" for the Church. [See Ex. 3,
15 Declaration of Lynn F. Farny ("Farny Decl."), ¶ 7.]

16 Armstrong's bitter and lengthy campaign was ended, or so plaintiff
17 thought, when he entered into a confidential Settlement Agreement (the
18 "Agreement") with plaintiff in 1986. The terms of the Agreement required
19 Armstrong not merely to end his own litigation against plaintiff, but among
20 other things, also required Armstrong to refrain from aiding others in
21 litigation, to return to the Church the documents which he had stolen and
22 all copies of them, to refrain from discussing with third parties his
23 experiences with the Scientology faith, and to keep confidential all terms
24 of the Agreement itself. This amicable settlement was achieved only after
25 careful and extensive negotiations. [Ex. 4, Declaration of Lawrence E.
26 Heller ("Heller Decl."), ¶ 2.]

27 Unfortunately, an amicable separation was not to be. Despite a
28 carefully drawn mutually acceptable Agreement, Armstrong is at it again.

1 Since June, 1991, Armstrong has, by his own admissions:

2 - Provided aid to anti-Church litigants Vicki and Richard Aznaran¹
3 and Joseph Yanny² through declarations purporting to describe Armstrong's
4 Scientology experiences, along with copies of documents that Armstrong
5 agreed to keep confidential, including the Agreement;

6 - Performed paralegal services for Yanny in the Aznarans' case; and

7 - Performed paralegal services in the Aznarans' case for the
8 Aznarans' present attorney, Ford Greene, which continues to the present.

9 Rather than deny these activities, all of which violate the Agreement,
10 Armstrong boasts of them.³ To put an end to Armstrong's unlawful campaign
11 once and for all, the Church requests the entry of this preliminary
12 injunction to enjoin Armstrong from committing further and continuous
13 breaches of his Agreement while the effects of his earlier breaches are
14 adjudicated.⁴

15
16 ¹ Vicki Aznaran is the former president of another entity affiliated
17 with the Scientology faith, Religious Technology Center. She and her
18 husband Richard, a former employee of the plaintiff Church, are involved in
19 litigation against plaintiff and other Church parties, Vicki Aznaran, et
al. v. Church of Scientology of California, et al., United States District
Court for the Central District of California, No. CV 88-1786 JMI (Ex).

20 ² Joseph Yanny is the former attorney for the Church and is also a
21 defendant in a pending action, Religious Technology Center, Church of
Scientology International and Church of Scientology of California v. Joseph
A. Yanny ("Yanny 2"), LASC No. BC-033035, in which he has been enjoined
22 from legal representation of Armstrong against his former clients.

23 ³ The Church's pleas and requests that he honor his Agreement have proven
24 fruitless; rather, Armstrong, having spent the proceeds of his earlier hate
25 campaign, seems bent on extorting still more money from this plaintiff with
26 his outrageous conduct. On a daily and continuous basis, Armstrong is
working to poison proceedings involving current anti-Church litigants,
impeding any hope of resolving those cases short of a lengthy and expensive
trial.

27 ⁴ See, e.g., Exhibits 1F, 1J and 1K to Request for Judicial Notice
28 ("Request") and Exhibit 2B to Declaration of Andrew H. Wilson ("Wilson
Decl.")

II. STATEMENT OF FACTS

A. The Settlement Agreement

In December, 1986, the Church entered into the Agreement with Armstrong. The Agreement provided for a mutual release and waiver of all claims arising out of a cross-complaint which defendant Armstrong had filed in Church of Scientology of California v. Gerald Armstrong, Los Angeles Superior Court No. C 420153.⁵ The Agreement included multiple clauses designed to guarantee that new actions were not spawned or encouraged by the conclusion of the old one.⁶ These clauses included provisions that Armstrong would not: (1) assist or advise anyone else engaged in litigation adverse to the interests of the Church; (2) testify or otherwise participate in any other judicial proceeding adverse to the Church unless compelled to do so by lawful subpoena; (3) disclose documents at issue in the case; or (4) disclose to anyone the terms of the Agreement itself.⁷ The Church had good reason for negotiating these particular clauses with Armstrong. In addition to his own litigation, Armstrong fomented significant additional litigation against the Church and other Churches of Scientology, stirring up enmities of other former members. Moreover, Armstrong became involved in plot after clandestine plot to take over or

⁵ The signatories to the Agreement were Gerald Armstrong and the Church of Scientology International, by its President, Heber Jentzsch. [Ex. 2A to Wilson Decl.] Mr. Armstrong's signature was witnessed by Jo Ann Richardson and Michael Sutter, and the Agreement was signed with approval as to form and content by Mr. Armstrong's attorney, Michael Flynn. [Id.]

⁶ See specifically ¶¶ 7(H), 7(G), 10, 7(D), 18(D), 20 of Exhibit 2A, the Agreement.

⁷ Armstrong also agreed that damages for violations of the nondisclosure provisions would be a liquidated amount of \$50,000 per disclosure.

1 even destroy his former religion.⁸

2 Armstrong received a portion of a total settlement paid to his
3 attorney, Michael Flynn, in a block settlement concerning all of Mr.
4 Flynn's clients who were in litigation with any Church of Scientology or
5 related entity. The exact portion of the settlement which Armstrong
6 received was maintained as confidential between Mr. Flynn and Armstrong.

7 ///

8 ///

9
10 ⁸ In November, 1984, for example, Armstrong was plotting against the
11 Scientology Churches and seeking out staff members in the Church who would
12 be willing to assist him in overthrowing Church leadership. The Church
13 obtained information about Armstrong's plans and, through a police-
14 sanctioned investigation, provided Armstrong with the "defectors" he
15 sought. On four separate occasions in November, 1984, Armstrong met with
16 two individuals that he considered to be defectors, whom he knew as "Joey"
17 and "Mike." In reality, both "Joey" and "Mike" were loyal Church members
18 who, with permission from the Los Angeles police, agreed to have their
19 conversations with Armstrong surreptitiously videotaped. During the course
20 of these conversations, Armstrong:

- 21 a. Demanded that "Joey" provide him with copies of documents
22 published by the Church so that he could forge documents in the
23 same style. Armstrong wanted "Joey" to then plant these
24 Armstrong creations in the Church's files so that Armstrong could
25 tip off the Criminal Investigations Division of the Internal
26 Revenue Service ("CID"), and the incriminating documents would be
27 found in a resulting raid;
- 28 b. Sought to "set up" the defection of a senior Scientologist by
finding a woman to seduce him;
- 29 c. Told "Joey" all about his conversations with Al Lipkin, an
30 investigator for the CID, and attempted to get "Joey" to call
31 Lipkin and give him false information that would implicate the
32 Church's leaders in the misuse of donations; and
- 33 d. Instructed "Mike" on the methods of creating a lawsuit
34 against the Church leadership based on nothing at all:

ARMSTRONG: They can allege it. They can allege it.

They don't even have -- they can allege it.

RINDER: So they don't even have to have the document
sitting in front of them and then --

ARMSTRONG: F___ing say the organization destroys the
documents.

* * *

Where are the -- we don't have to prove a goddamn
thing. We don't have to prove s___t; we just have to
allege it.

[Ex. 3, Farny Decl., ¶¶ 4 and 5.]

1 **B. Armstrong Has Violated the Settlement Agreement**

2 **1. Armstrong Violated The Agreement By Providing Aid To Anti-**
3 **Church Litigants Vicki And Richard Aznaran**

4 Vicki and Richard Aznaran ("the Aznarans"), are former Church members
5 currently engaged in litigation against, inter alia, RTC and CSI. In June,
6 1991, the Aznarans discharged their attorney, Ford Greene, and retained
7 Joseph A. Yanny to represent them. [Exs. 1A, 1B, 1C, 1D to Request,
8 Substitutions of Attorney.]⁹

9 While counsel for the Aznarans, Yanny hired Armstrong, in Yanny's own
10 words "as a paralegal to help [Yanny] on the Aznaran case." [Ex. 1E to
11 Request, Transcript of Proceedings in Religious Technology Center et al. v.
12 Joseph A. Yanny, et al., LASC No. BC 033035 ("RTC v. Yanny"), p. 25.] In
13 a holographic declaration supplied to Yanny, Armstrong admitted that Yanny
14 called him on July 10, 1991, and asked for Armstrong's help in Yanny's
15 representation of the Aznarans [Ex. 1F to Request, Declaration of Gerald
16 Armstrong of July 19, 1991, ¶ 2]; that Armstrong agreed to help Yanny with
17 the Aznarans' case; that he would travel to Los Angeles for that express
18 purpose on July 12, 1991 [Id., ¶ 3]; and that Armstrong asked Yanny to pay
19 him \$500 for his services. [Id., ¶ 3.] Armstrong admits that he did
20 travel to Los Angeles, did stay with Yanny on July 15 and 16, and wrote a
21 declaration for Yanny and the Aznarans. [Id., ¶ 4.] Yanny has also
22 admitted that he hired Armstrong as a paralegal against the Church and
23 other related entities. [Ex. 1G to Request, Declaration of Joseph A.
24 Yanny, July 31, 1991, ¶ 4, and Ex. 1E to Request, supra.]

25 Armstrong's acceptance of employment from Yanny to work on the

26 ⁹ Yanny is former counsel to the Church parties and his substitution into
27 the case was later vacated by the Court sua sponte, the Court noting that
28 Yanny's retention as the Aznarans' counsel was "highly prejudicial" to CSI.

1 Aznarans' case patently violates Paragraphs 10 and 7(G) of the Agreement,
2 which prohibits Armstrong from providing aid or advice to anyone engaged in
3 or contemplating litigation adverse to the Church. [Ex. 2A, ¶¶ 7(G), 10.]
4 The Aznarans are directly engaged in litigation with RTC and CSI, and
5 Armstrong has provided direct assistance to them by acting as Yanny's
6 paralegal. There could not be a clearer example of conduct which violates
7 the letter and intent of the Agreement.

8 **2. Armstrong Also Violated the Agreement by**
9 **Aiding Yanny in Litigation Against the Church**

10 After Yanny entered his appearance for the Aznarans and indicated to
11 Church counsel that he represented Armstrong as well, the Church and two
12 related entities sued Yanny in this Court. In that action, the Church
13 sought and obtained a Temporary Restraining Order and a Preliminary
14 Injunction against Yanny [Ex. 1H, Ex. 1I], enjoining Yanny from aiding,
15 advising, or representing, directly or indirectly, the Aznarans or
16 Armstrong, on any matters relating to the Church. In those proceedings,
17 Yanny filed two declarations prepared and executed by Armstrong [Exs. 1J
18 and 1K to Request] in which Armstrong asserts knowledge of settlements,
19 including his own, which he purportedly gleaned by working as a paralegal
20 for yet another law firm. [Ex. 1J to Request, ¶¶ 2-5]. The declarations
21 were offered by Yanny as part of Yanny's defense, which was ultimately
22 rejected by the Court when it issued its injunction. [Ex. 1E to Request,
23 at 31-34.] Just as in the Aznarans' case, this aid provided by Armstrong
24 to Yanny, a litigant against the Church, was a direct violation of
25 paragraphs 10 and 7(G) of the Agreement. Moreover, Armstrong attached as
26 an exhibit to one of the declarations, Ex. K, a copy of the Agreement, the
27 terms of which he had agreed to keep confidential. [Ex. 2A to Wilson
28 Decl., ¶ 18(d).] This disclosure of the terms of the Agreement is a direct

1 violation of the Agreement.

2 **3. Armstrong Violated the Agreement by**
3 **Helping Ford Greene with the Aznaran Case**

4 Armstrong is brazenly, openly and continually assisting adverse
5 litigants and bragging about it to the Church's counsel and staff. After
6 Yanny's substitution into the Aznarans' case was summarily vacated, Ford
7 Greene was reinstated as the Aznarans' counsel of record. In a letter to
8 the Church's counsel dated August 21, 1991, Armstrong admitted that he had
9 been working at Greene's office with Greene on the Aznarans' case, helping
10 him to prepare responses to summary judgment motions filed in that case.
11 [Ex. 2B to Wilson Decl., p. 2.] Both Armstrong and Greene have freely
12 admitted in sworn declarations that Greene has and is continuing to employ
13 Armstrong as a paralegal in the Aznaran case. Armstrong himself describes
14 these activities as follows:

15 My help to Ford Greene in all of the papers recently filed
16 has been in proofreading, copying, collating, hole-punching,
17 stapling, stamping, packaging, labeling, air freighting, and
18 mailing. Mr. Greene and I have had several conversations during
19 this period, some of which certainly concerned the litigation.

20 [Ex. 1L to Request, Declaration of Gerald Armstrong (minus exhibits) at ¶

21 18. See also, Ex. 1M to Request, Declaration of Ford Greene, ¶ 7.]

22 Indeed, Armstrong's presence in Greene's offices has been continuous
23 throughout December, 1991, and shows no sign of cessation. [Ex. 5,
24 Declaration of Laurie J. Bartilson.]¹⁰

25 On October 3, 1991, the Church filed a motion in Los Angeles Superior

26 ¹⁰ In addition to the paralegal services Armstrong claims he provided the
27 Aznarans, Armstrong also provided the Aznarans with a declaration, dated
28 August 26, 1991, and filed in that case. [Ex. 1N to Request.] Armstrong's
declaration describes some of his experiences with and concerning the
Church, in direct violation of paragraphs 7(H), 7(G) and 10 of the
Agreement, and purports to authenticate copies of documents whose contents
he agreed, in paragraph 10 of the Agreement, never to reveal. [Id.,
Exhibits 1 and 2.]

1 On October 3, 1991, the Church filed a motion in Los Angeles Superior
2 Court for enforcement of the Settlement Agreement and for liquidated
3 damages due to Armstrong's breaches of the Agreement. In Armstrong's
4 papers and at the hearing of the matter, Armstrong did not deny that he has
5 committed the multiple breaches which provoked the filing of the motion,
6 and he did not deny that his activities violated the specific provisions of
7 the Settlement Agreement cited in the moving papers.¹¹ Instead, Armstrong
8 raised the tired refrain that he had been under "duress" when he executed
9 the Agreement. Armstrong repeatedly raised this pretense and his alleged
10 "fear" of the Church before Judge Breckenridge, the trial judge in the
11 earlier, settled matter. It is, however, thoroughly belied by the approval
12 of the Agreement by Armstrong's attorney, and by Armstrong's conduct at the
13 time he signed the Agreement.¹² If anything, Armstrong has become bolder

14 reveal. [Id., Exhibits 1 and 2.]

15
16 ¹¹ Indeed, Armstrong's response to the motion was in part to boast that
17 not only had he committed the violations in question, he had never
18 intended to abide by the Agreement at all. In a declaration dated
19 November 17, 1991, Armstrong asserts that he read all of the clauses at
20 issue here and understood their import at the time he signed the
21 Agreement, but objected to them to his own lawyers and told his lawyers
22 he never intended to follow them. [Ex. 1P, Declaration of Gerald
23 Armstrong, ¶¶ 12-14.] Armstrong asserts that he "put on a happy face"
24 and went through the charade of signing the Agreement anyway, so that he
25 could have from the settlement the "financial wherewithal" to "get on
26 with next phase of [his] life." [Id., ¶ 17.] Naturally, Armstrong never
27 expressed to the Church or its lawyers that he had no intention of
28 honoring his Agreement when he signed the papers. If he had, the Church
would never have agreed to pay him anything.

23 ¹² Moreover, the credibility of this refrain is shattered by Armstrong's
24 own words, uttered months after obtaining a defense judgment in the
25 original Armstrong action based on his spurious claim of being under
26 "duress" due to his "fear" of the Church. In the November, 1984
videotaped conversations with Joey referred to above, the following
exchange took place while Armstrong was discussing his plans for
destroying the Church:

JOEY: Well, you're not hiding!

ARMSTRONG: Huh?

JOEY: You're not hiding.

ARMSTRONG: F--- no! And. . .

1 become bolder as time has passed.

2 The Church's showing in support of the motion to enforce the
3 Settlement Agreement consisted of uncontroverted evidence that Armstrong
4 had violated paragraphs 10 and 7(G) of the Settlement Agreement by:

5 1) Providing aid to the Aznarans in their lawsuit against the
6 plaintiff via employment by Yanny as a paralegal;

7 2) Aiding Yanny in litigation against the Church by voluntarily
8 filing declarations on Yanny's behalf; and

9 3) Helping Ford Greene as a paralegal on the Aznaran case, and by
10 voluntarily providing declarations for filing by Greene in that case.

11 Not one word of Armstrong's opposition was devoted to challenging
12 those proven accusations. However, the Court, the Honorable Bruce R.
13 Geernaert presiding, did not address the merits, holding instead that there
14 was no jurisdiction to decide the motion.

15 While the Church has no interest in pursuing a multiplicity of suits,
16 Armstrong's own conduct demonstrates not an isolated incident, but an
17 ongoing campaign, no different from his earlier campaign of hatred and
18 harassment. With a new action now before the Court, an injunction should
19 and must issue to preserve the Church's rights pending trial.

20 III. ARGUMENT

21 A. An Injunction May Be Granted To Prevent The Breach Of A Contract The 22 Performance Of Which Would Be Specifically Enforced

23 C.C.P. § 526 empowers the court to grant an injunction to prevent a
24 breach of a contract if the contract is one which may be specifically
25 enforced. C.C.P. § 526; see also, Steinmeyer v. Warner Consolidated Corp.
26 (1974) 42 Cal.App.3d 515, 518, 116 Cal.Rptr. 57, 60 ("An injunction cannot
27 be granted to prevent breach of a contract which is not specifically
28 enforceable."); Southern Christian Leadership Conference of Greater Los

1 Angeles v. Al Malaikah Auditorium Co. (1991) 230 Cal.App.3d 207, 281
2 Cal.Rptr. 216. The Agreement at issue is one which may be specifically
3 enforced by this Court as the contract is sufficiently definite and certain
4 in its terms, it is just and reasonable, the plaintiff has performed its
5 side of the bargain, Armstrong has breached the contract, the Agreement was
6 supported by adequate consideration, and the Church's remedy at law is
7 inadequate. Taramind Lithography Workshop, Inc. v. Sanders (1983) 143
8 Cal.App.3d. 571, 575, 193 Cal.Rptr. 409, 410.

9 Further, while the Agreement contains a liquidated damages provision,
10 it is a well-settled statutory principle that a contract providing for
11 liquidated damages does not prevent the contract from being specifically
12 enforceable. Civil Code § 3389. Accordingly, the Court is empowered to
13 grant a preliminary injunction to enjoin Armstrong from further breach.

14 **B. Preservation of the Status Quo and Prevention of Irreparable Injury**
15 **Requires the Court to Grant Plaintiff's Application**

16 While C.C.P. § 526(5) deters the granting of injunctions to prevent
17 the breach of a contract "the performance of which would not be
18 specifically enforced," this Agreement is patently specifically
19 enforceable. Indeed, Scientology's former Mother Church, the Church of
20 Scientology of California ("CSC"), has already obtained injunctions and
21 specific performance of similar settlement agreements.

22 In Wakefield v. Church of Scientology of California (11th Cir. 1991)
23 __ F.2d __ (Slip Op., Exhibit 1R to Request), CSC obtained specific
24 performance of an agreement substantially similar to this Agreement. CSC
25 moved to enforce the provisions of the settlement agreement, and the
26 district court ordered hearings before the magistrate judge, who concluded
27 that Wakefield had violated the agreement. The district court adopted the
28 magistrate judge's findings, and issued a preliminary and permanent

1 injunction prohibiting Wakefield from violating the agreement. Id. When
2 Wakefield violated the injunction, again making media appearances, CSC
3 sought an order to show cause why Wakefield should not be held in contempt.
4 At an in camera proceeding, the magistrate judge found that Wakefield had
5 willfully violated the injunction, and recommended that the case be
6 referred to the United States Attorney's office for criminal contempt
7 proceedings. Id. at 4628.

8 Although the district court's issuance of the injunction in Wakefield
9 was not at issue in the Eleventh Circuit proceedings, the Eleventh Circuit
10 described in its opinion, "Wakefield's constant disregard and misuse of the
11 judicial process," suggesting approval of the district court's actions.
12 Id. at 4630.

13 Similarly, in McLean v. Church of Scientology of California (11th Cir.
14 1991) __ F.2d __ No. 89-3505 [separately Filed with this Court on April 28,
15 1992, Notice of Filing], plaintiff McLean also entered into a settlement
16 agreement containing confidentiality provisions preventing her from
17 discussing the litigation with anyone outside her immediate family. Id. at
18 2. By her own testimony, McLean admitted to reacquiring certain documents
19 and using them to "counsel" Church members. She further admitted to
20 discussing certain aspects of the suit with people outside her immediate
21 family. Id. at 3. As a result, the appellate court affirmed the district
22 court order permanently enjoining McLean from disclosing any information
23 about her lawsuit and the resulting settlement agreement. Id. at 6.

24 Just as the district courts in Wakefield and McLean found it necessary
25 to issue an injunction to enforce the agreement of the parties, so must
26 this Court issue a preliminary injunction to enjoin Armstrong from further
27 breaches. The status quo will be maintained and irreparable injury will be
28 prevented only by entering such an order.

1 **1. The Status Quo Will Be Maintained**
2 **Only By Granting Plaintiff's Motion**

3 The status quo sought to be maintained by the Church is the
4 achievement by both sides of the benefits of the Agreement -- the status
5 quo which existed when, in December 1986, the Church and Armstrong were
6 fully performing their obligations under the Agreement. By repeatedly
7 violating the Agreement, Armstrong has destroyed the peace for which the
8 Church lawfully bargained. Absent the order the Church seeks, the damage
9 and corruption caused by Armstrong's outright and continuing breaches of
10 the Agreement will spread even further than it already has.

11 The fact that Armstrong intends to continue his transgressions and
12 damage the Church could not be any plainer. Indeed, Armstrong has already
13 made it overwhelmingly clear that he has deliberately breached the
14 Agreement by his own actions in aiding Yanny and Ford Greene in litigation
15 adverse to the Church and in his own statements made in his declarations
16 filed in the Aznaran case. Therefore, the Church requests that the Court
17 compel Armstrong to cease assisting parties with interests adverse to the
18 Church and to abide by the terms of the Agreement.

19 **2. The Church Will Be Irreparably Harmed**
20 **Absent the Issuance of an Injunction**

21 Not only is Armstrong assisting adversaries of the Church, he is doing
22 so to foster and perpetuate relentless litigation against the Church to
23 serve his own ends. Armstrong's conduct is continuous, oppressive and
24 malicious and has been undertaken for the express purpose of injuring
25 plaintiff. Only an injunction pending trial has any hope of stopping
26 Armstrong from waging his malicious, relentless and senseless war.

27 C.C.P. § 526 provides that an injunction can be granted when it
28 appears by complaint or affidavit that the commission of some act during
the continuance of the action would produce great or irreparable injury to

1 a party to the action (subdivision 2) or when it appears that a party to
2 the action is doing, or threatening to do, some act in violation of the
3 rights of another respecting the subject of the action and tending to
4 render the judgment ineffectual (subdivision 3). Here, an injunction is
5 needed to prevent Armstrong from continuously breaching the Agreement and
6 fomenting litigation against the Church while the Church awaits trial and
7 judgment on the merits. Although some of Armstrong's breaches are subject
8 to a liquidated damages clause, others, including the continual violations
9 which he is engaging in through his employment by Ford Greene, are not. It
10 is these continual violations, which no monetary award can remedy, which
11 the Church seeks to enjoin.¹³

12 C. A Balancing of the Equities Requires
13 The Court to Grant Plaintiff's Motion

14 In determining whether to grant injunctive relief, the Court must
15 balance the equities before it and exercise its discretion in favor of the
16 party most likely to be injured. Robbins v. Superior Court (1985) 38
17 Cal.3d 199, 205, 211 Cal.Rptr. 398, 402. In balancing the equities, the
18 Court considers two interrelated factors: (1) the likelihood that plaintiff
19 will prevail on the merits; and (2) the interim harm that plaintiff is
20

21 ¹³ No remedy may be available to the Churches in the form of liquidated
22 damages in any case. Armstrong has asserted by declaration that he is
insolvent, saying,

23 "I have attempted to obtain an attorney to represent me specifically
24 in the motion to enforce now before the court, but have so far been
25 unsuccessful. I do not have the wherewithal to retain any attorney
who would require a fee to defend me." [Ex. 1Q to Request.]

26 Armstrong's asserted insolvency made the guarantee of liquidated damages an
empty promise, and renders the Churches' damage, even for these breaches,
irremediable. West Coast Construction Company v. Oceano Sanitary District
27 (1971) 17 Cal.App.3d 693, 95 Cal.Rptr. 169.

28

likely to suffer if the injunction is denied as compared to the harm that defendants are likely to suffer if the injunction is granted. Id. at 206.

1. Plaintiff Is Likely To Prevail On The Merits

It is clear that the Church is likely to succeed on the merits. The Church has submitted an overwhelming factual showing, which provides thorough detail of Armstrong's willful injurious conduct and overt violations of the Agreement. The Verified Complaint and the Declarations of Lawrence E. Heller, Exhibit 4, and Laurie J. Bartilson, Exhibit 5, supply only a portion of the facts for the Church's likelihood of success on the merits. In addition, Armstrong's own statements, made in declarations filed in the Aznaran case, as well as his own conduct, form the best evidence that he has breached and will continue to breach the Agreement, until this Court enjoins his violative conduct.

2. The Interim Harm That Plaintiff Will Suffer Absent An Injunction Exceeds Any Harm to Armstrong If Injunctive Relief Is Granted

Armstrong has no equities whatsoever in this action. No one has any right to continue to violate a settlement agreement. Armstrong's only "injury" if he is enjoined is that he will not be able to violate the Agreement in the future. On the other hand, the harm that will be suffered by the Church absent injunctive relief is the irreparable harm of being victimized by Armstrong's violations, while others with interests adverse to the Church benefit in legal proceedings from an unfettered flow of breached obligations, wrongful disclosures and legal infidelity. Thus, the balancing of the equities unquestionably favors the Church.

IV. CONCLUSION

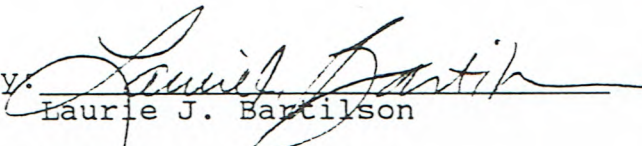
In December, 1986, the Church bought an expensive peace from Armstrong. Its members thought, and reasonably, that the negotiated peace was desired by both sides, and permanent, its terms both clear and fair.

1 Armstrong, his funds allegedly gone, has embarked on a campaign of
2 deliberate breaches reminiscent of the very conduct plaintiff sought to
3 end, in an obvious effort to convince the Church that it must pay for its
4 peace in five-year installments. Such an agreement was neither
5 contemplated nor made. By providing aid, declarations and information
6 which he agreed to keep confidential directly to the Church litigation
7 adversaries, Armstrong has repeatedly, deliberately and continuously
8 breached the Agreement which he signed and for which he accepted a
9 substantial settlement amount. Because Armstrong refuses to stop his
10 continuous contempt for his own agreements, this Court must, on the
11 uncontroverted evidence, much of it from Armstrong's own lips, enjoin him
12 from further breaching his Agreement while this action is pending.

13 Dated: May 7, 1992

Respectfully submitted,

14 BOWLES & MOXON

15
16 By: 
Laurie J. Bartilson

17
18 Andrew H. Wilson
WILSON, RYAN & CAMPILONGO

19 Attorneys for Plaintiff
20 CHURCH OF SCIENTOLOGY
21 INTERNATIONAL
22
23
24
25
26

27 H:\ARMSTRONPRELIM7
28

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Blvd., Suite 2000, Los Angeles, CA 90028.

On May 7, 1992, I served the foregoing document described as AMENDED MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION FOR BREACH OF CONTRACT on defendants in this action as follows:

[] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;

[X] by placing [] the original [X] a true copy thereof in a sealed envelope addressed as follows:

Paul Morantz BY HAND & TELEFAX
P.O. Box 11
Pacific Palisades, CA 90272

Graham Berry BY HAND & TELEFAX
Lewis, D'Amato, Brisbois & Bisgaard
221 N. Figueroa St. Suite 1200
Los Angeles, CA 90012

[] BY MAIL

[] *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

[] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more

than one day after date of deposit for mailing an affidavit.

Executed on _____ at Los Angeles, California.

☒ ** (BY PERSONAL SERVICE) I delivered such envelopes by hand to the offices of the addressee.

Executed on May 7, 1992, at Los Angeles, California.

☒ (State) I declare under penalty of the laws of the State of California that the above is true and correct.

☐ (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Laurie B. Hall Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

** (For personal service signature must be that of messenger)

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Blvd., Suite 2000, Los Angeles, CA 90028

On May 7, 1992, I served the foregoing document described as AMENDED MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION FOR BREACH OF CONTRACT on defendants in this action as follows:

[] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;

[X] by placing [] the original [X] a true copy thereof in a sealed envelope addressed as follows:

Ford Greene BY MAIL & TELEFAX
Hub Law Offices
711 Sir Francis Drake Blvd
San Anselmo, CA 94960-1949

[x] BY MAIL

[] *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

[x] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit.

Executed on May 7, 1992 at Los Angeles, California.

[] **(BY PERSONAL SERVICE) I delivered such envelopes by hand to the offices of the addressee.

Executed on _____, at Los Angeles, California.

[X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.

[] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Camille Barth

Lawrence D. L. L.
Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

** (For personal service signature must be that of messenger).

1 Ford Greene
California State Bar No. 107601
2 HUB LAW OFFICES
711 Sir Francis Drake Boulevard
3 San Anselmo, California 94960-1949
Telephone: (415) 258-0360

4 Attorney for Defendant
5 GERALD ARMSTRONG

6
7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF LOS ANGELES

10 CHURCH OF SCIENTOLOGY)
INTERNATIONAL, a California)
not-for-profit religious)
11 corporation;)

12 Plaintiff,)

13 vs.)

14 GERALD ARMSTRONG; THE GERALD)
ARMSTRONG CORPORATION, a)
15 California corporation; DOES)
1-25, inclusive;)

16 Defendants.)
17)
18)

Case No. BC 084 642

DECLARATION OF GERALD ARMSTRONG
SUPPORTING SPECIAL MOTION TO
STRIKE

Date: October 8, 1993
Time: 9:00 a.m.
Dept: 83

Discovery Cut Off: None
Motion Cut Off: None
Trial Date: None

19 I, GERALD ARMSTRONG, declare:

20 1. I am above the age of 18 years old, and am the defendant
21 in the above action. I state the following based upon my own
22 first knowledge and if called upon to do so I could and would so
23 testify in open court. I was served with the complaint in this
24 action on July 30, 1993.

25 2. I became involved with Scientology as a customer in 1969
26 in Vancouver, B.C. I worked on staff there in 1970 and in
27 February 1971 joined the Sea Organization (SO or Sea Org) in Los
28

1 Angeles. I was flown to Spain and joined the Sea Org's flag ship,
2 "Apollo," in Morocco. L. Ron Hubbard, the Sea Org's
3 "Commodore," was on board and operated Scientology internationally
4 through the "crew" which numbered, during my stay on board of four
5 and a half years, around four hundred. All my staff positions on
6 board involved personal contact with L. Ron Hubbard, Mary Sue
7 Hubbard, administrative organization staff and people in the ports
8 and countries the "Apollo" visited, and included "Ship's
9 Representative" (legal representative), "Port Captain" (public
10 relations officer), and "Information Officer" (intelligence
11 officer).

12 3. In the fall of 1975 after the ship operation moved
13 ashore in Florida I was posted in the Guardian's Office (GO)
14 Intelligence Bureau connected to Hubbard's Personal Office. From
15 December 1975 through June 1976 I held the post of Deputy LRH
16 External Communications Aide, a relay terminal for Hubbard's
17 written and telex traffic to and from Scientology organizations.
18 From July 1976 to December 1977 I was assigned, on Hubbard's
19 order, to the "Rehabilitation Project Force" (RPF), the SO prison
20 system. In 1978 I worked in Hubbard's cinematography crew in La
21 Quinta, California making movies under his direction until the
22 fall of that year when he again assigned me to the RPF, this time
23 for eight months first in La Quinta, then at a newly purchased
24 base in Gilman Hot Springs near Hemet, California. When I got out
25 of the RPF in the spring of 1979 and until the beginning of 1980 I
26 worked in Hubbard's "Household Unit" (HU) at Gilman, the SO unit
27 which took care of Hubbard's house, personal effects, transport,
28 meals and so forth, as the "Purchaser," "Renovations In-Charge"

1 and "Deputy Commanding Officer HU."

2 4. Throughout 1980 and until I left the organization in
3 December 1981 I held the organization posts in Hubbard's "Personal
4 Public Relations Bureau" of "LRH Archivist" and "LRH Personal
5 Researcher." I assembled in Los Angeles an archive of Hubbard's
6 writings and other materials relating to his history to be used
7 as, inter alia, the basis for a biography to be written about the
8 man. I also worked in Los Angeles for the first few months of 1980
9 on Mission Corporate Category Sortout (MCCS), which had the
10 purpose of restructuring the Scientology enterprise so that
11 Hubbard could continue to control it without being liable for its
12 actions. (A tape recording of two meetings relating to MCCS's
13 actions subsequently became the subject of Church of Scientology
14 of California v. Zolin. ^{1/}) Beginning in the fall of 1980 and
15 continuing until my departure, I provided the biographical
16 writings and other materials, as I collected and organized them,
17 to Omar Garrison, who had contracted with the organization to
18 write the Hubbard biography. I interviewed many people who had
19 known Mr. Hubbard at periods throughout his life, including almost
20 all of his known living relatives. I traveled several thousand
21 miles collecting biographical information and conducting a
22 genealogy search, and arranged the purchase of a number of
23 collections of Hubbard-related documents and other materials from

24 ¹ United States v. Zolin (9th Cir. 1987) 809 F.2d 1411
25 [government made insufficient showing of illegal advice by
26 Scientology's lawyers to Scientology] was reversed in United
27 States v. Zolin (1989) 109 S.Ct. 2619. On remand the Ninth
28 Circuit found the crime-fraud exception to the attorney-client
privilege applicable. (United States v. Zolin (9th Cir. 1990) 905
F.2d 1344, 1345. cert. denied, Church of Scientology v. United
States (1991) 111 S.Ct. 1309.)

1 individual collectors.

2 5. Through my research and study of documentary evidence I
3 was compelled to conclude that Mr. Hubbard had lied about his
4 past, credentials, accomplishments, relationships and intentions.
5 I obtained evidence which disproved many of the claims made by
6 Hubbard in his biographies printed in Scientology publications and
7 used in promotion of the man and his philosophy and psychotherapy;
8 consequently I attempted to get the organization executives
9 responsible for these publications to correct the disproven
10 claims. As a result I was ordered to be security checked, an
11 invasive interrogation employing an electronic meter as a lie
12 detector, a procedure I had undergone many times in the Sea Org.
13 I had by this time obtained evidence which disproved the
14 significant representations Hubbard had made about himself or his
15 "technology" which had drawn me into and kept me in the
16 organization for over twelve years; e.g., that he was an engineer
17 and an atomic physicist, that he had been crippled and blinded in
18 combat in WW II and had cured himself with his mental science
19 discoveries, that it was a matter of medical record that he had
20 twice been pronounced dead, that his psychotherapy had been
21 subjected to rigorous scientific testing, that it cured all
22 psychosomatic ills and raised IQs a point per hour of therapy (I
23 had by this time had well over a thousand hours), that he had been
24 remunerated for his labors less than staff members were paid (in
25 my case between \$4.30 and \$17.20 per week throughout my 50 years),
26 and that he and his organization were ethical and well-
27 intentioned. When it became clear to me that I was not going to
28 be able to get the organization or Hubbard to admit to the lies

1 and take a more honest path I, and my wife Jocelyn, left the
2 organization.

3 6. Following my departure the organization published a
4 "Declaration" dated February 18, 1982 labelling me a "Suppressive
5 Person (SP)." An SP is considered in Scientology completely
6 psychotic and destructive, one of the two and a half percent truly
7 evil people on the planet. SPs are viewed as enemies of
8 Scientology and mankind and are targets for the organization's
9 "Fair Game Policy," which states specifically that they may be
10 lied to, cheated, sued and destroyed without discipline of the
11 Scientologist committing such acts. The SP Declare also accused
12 me of "spreading destructive rumors about senior Scientologists."
13 I knew in early 1982 that I was the target of Guardian's Office
14 intelligence operations because certain friends were contacted and
15 interrogated about me by known GO intelligence personnel. The
16 organization also appropriated a set of photographs I had
17 entrusted with an associate, Virgil Wilhite, and when I demanded
18 their return told me to get a lawyer.

19 7. A few days later I met with attorney Michael Flynn who
20 agreed to defend me against the organization, which on April 22,
21 1982 published a second SP declare accusing me of eighteen
22 "crimes, high crimes and suppressive acts," including, inter alia,
23 promulgating false information about Hubbard and the organization.
24 In the late spring and summer of 1982 I obtained from Omar
25 Garrison with his permission some of the documents I had delivered
26 to him while in the organization which I considered I would need
27 to defend myself against the organization's charges in the SP
28 declares and whatever actions they would bring against me in the

1 non-Scientology courts. I sent these to Mr. Flynn and to Contos
2 and Bunch, a California law firm which by then had agreed to
3 represent me in Scientology litigation. The organization filed
4 suit against me in the Los Angeles Superior Court on August 2,
5 1982 and the Hubbard biography documents I had sent to my lawyers
6 were ordered by the Court to be deposited with the clerk where
7 they stayed until trial in the spring of 1984.

8 8. In August and September 1982 the organization employed a
9 number of private investigators to surveil and harass my wife and
10 me. During that period one of these investigators assaulted me
11 bodily, and another struck my body with a car, and attempted to
12 involve me a freeway accident by getting in front of my car and
13 slamming on his brakes and pulling alongside my car and swerving
14 into my lane. The organization also attempted to get the Los
15 Angeles Police Department to bring criminal charges against me in
16 connection with the Hubbard documents which had become the subject
17 of the litigation in the Superior Court.

18 9. I filed a cross-complaint in 1982 against various
19 Scientology corporations which was bifurcated from the underlying
20 document case and never tried because it settled in December 1986.
21 The document case was tried without a jury by Judge Paul G.
22 Breckenridge, Jr. who rendered a decision on June 20, 1984.
23 Between that time and the settlement the organization continued
24 its campaign against me which included at least these acts:

- 25 ▶ attempted entrapment;
- 26 ▶ illegal videotaping;
- 27 ▶ filing false criminal charges against me with the Los
- 28 Angeles District Attorney;

1 ▶ filing false criminal charges against me with the Boston
2 office of the FBI;

3 ▶ filing false declarations to bring contempt of court
4 proceedings against me on three occasions;

5 ▶ obtaining perjured affidavits from English private
6 investigators, who had harassed me in London in 1984, accusing me
7 of distributing "sealed" documents;

8 ▶ international dissemination of Scientology publications
9 falsely accusing me of crimes, including crimes against humanity;
10 and

11 ▶ culling and disseminating information from my supposedly
12 confidential auditing (psychotherapy) file.

13 10. On December 5, 1986 I was flown to Los Angeles, as were
14 several other of Mr. Flynn's clients with claims against the
15 organization to participate in a "global settlement." After my
16 arrival in LA I was shown a copy of a document entitled "Mutual
17 Release of All Claims and Settlement Agreement," hereinafter
18 referred to as "the settlement agreement," and some other
19 documents, which I was expected to sign.

20 11. The settlement agreement has now become a public
21 document, and it and its effects are issues in various lawsuits
22 now pending.

23 12. Upon reading the settlement agreement draft I was
24 shocked and heartsick. I told Mr. Flynn that the condition of
25 "strict confidentiality and silence with respect to [my]
26 experiences with the [organization]" (settlement agreement, para.
27 7D), since it involved over seventeen years of my life, was
28 impossible. I told him that the "liquidated damages" clause

1 (para. 7D) was outrageous; that pursuant to the settlement
2 agreement I would have to pay \$50,000.00 if I told a doctor or
3 psychologist about my experiences from those years, or if I put on
4 a resume what positions I had held during my organization years.
5 I told Mr. Flynn that the requirements of non-amenability to
6 service of process (para. 7H) and non-cooperation with persons or
7 organizations adverse to the organization (paras. 7G, 10) were
8 obstructive of justice. I told him that I felt that agreeing to
9 leave the organization's appeal of the decision in Armstrong and
10 not respond to any subsequent appeals (para. 4B) was unfair to the
11 courts and all the people who had been helped by the decision. I
12 told Mr. Flynn that an affidavit the organization was demanding
13 that I sign along with the settlement agreement was false. That
14 document, which I do not have, stated, inter alia, that my
15 disagreements with the organization had been with prior
16 management, and not with the then-current leadership. In fact
17 there had been no management change and I had the same
18 disagreements with the organization's "fair game" policies and
19 actions which had continued without change up to the time of the
20 settlement. I told him that I was being asked to betray
21 everything and everyone I had fought for against an organization
22 which was based upon injustice.

23 13. In answer to my objections to the settlement agreement,
24 Mr. Flynn said that the silence and liquidated damages clauses,
25 and anything which called for obstruction of justice were not
26 worth the paper they were printed on. He said the same thing a
27 number of times and a number of ways; e.g., that I could not
28 contract away my Constitutional rights; that the conditions were

1 unenforceable. He said that he had advised the organization
2 attorneys that those conditions in the settlement agreement were
3 not worth the paper they were printed on, but that the
4 organization, nevertheless, insisted on their inclusion in the
5 settlement agreement and would not agree to any changes. He
6 pointed out the clauses concerning my release of all claims
7 against the organization to date and its release of all claims
8 against me to date (paras. 1, 4, 5, 6, 8) and said that they were
9 the essential elements of the settlement and were what the
10 organization was paying for.

11 14. Mr. Flynn also said that everyone was sick of the
12 litigation and wanted to get on with their lives. He said that he
13 was sick of the litigation, the threats to him and his family and
14 wanted out. He said that as a part of the settlement he and all
15 co-counsels had agreed to not become involved in organization-
16 related litigation in the future. He expressed a deep concern
17 that the courts in this country cannot deal with the organization
18 and its lawyers and their contemptuous abuse of the justice
19 system. He said that if I didn't sign the documents all I had to
20 look forward to was more years of harassment and misery. One of
21 Mr. Flynn's other clients, Edward Walters, who was in the room
22 with us during this discussion, yelled at me, accusing me of
23 killing the settlement for everyone, and that everyone else had
24 signed or would sign, and everyone else wanted the settlement.
25 Mr. Flynn said that the organization would only settle with
26 everyone together; otherwise there would be no settlement. He did
27 agree to ask the organization to include a clause in my settlement
28 agreement allowing me to keep my creative works relating to L. Ron

1 Hubbard or the organization (para. 7L).

2 15. Mr. Flynn said that a major reason for the settlement's
3 "global" form was to give the organization the opportunity to
4 change its combative attitude and behavior by removing the threat
5 he and his clients represented to it. He argued that the
6 organization's willingness to pay us substantial sums of money,
7 after its agents and attorneys had sworn for years to pay us "not
8 one thin dime" was evidence of a philosophic shift within the
9 organization. I argued that the settlement agreement evidenced
10 the unchanged philosophy of fair game, and that if the
11 organization did not use the opportunity to transform its
12 antisocial nature and actions toward its members, critics and
13 society I would, a few years hence, because of my knowledge of
14 organization fraud and fair game, be again embroiled in its
15 litigation and targeted for extralegal attacks.

16 16. Regarding the affidavit the organization required that I
17 sign, Mr. Flynn said that the "disagreement with prior management"
18 could be rationalized as being a disagreement with L. Ron Hubbard,
19 and since Mr. Hubbard had died in January 1986 it could be said
20 that I no longer had that disagreement. Mr. Flynn said that the
21 organization's attorneys had promised that the affidavit, which
22 all the settling litigants were signing, would only be used by the
23 organization if I began attacking it after the settlement, and
24 since I had no intention of attacking the organization the
25 affidavit would never see the light of day.

26 17. During my meeting with Mr. Flynn in Los Angeles I found
27 myself facing a dilemma which I reasoned through in this way. If
28 I refused to sign the settlement agreement and affidavit all the

1 other settling litigants, many of whom had been flown to Los
2 Angeles in anticipation of a settlement, would be extremely
3 disappointed and would continue to be subjected to organization
4 harassment for an unknown period of time. I had been positioned
5 in the settlement drama as a deal-breaker and would undoubtedly
6 lose the support of some if not all of these litigants, several of
7 whom were key witnesses in my case against the organization.
8 Although I was certain that Mr. Flynn and my other lawyers would
9 not refuse to represent me if I did not sign the documents I also
10 knew that they all would view me as a deal-breaker and they would
11 be as disappointed as the other litigants in not ending the
12 litigation they desperately wanted out of. The prospect of
13 continuing the litigation with unhappy and unwilling attorneys on
14 my side, even though my cross-complaint was set for trial within
15 three months, was distressing. On the other hand, if I signed the
16 documents, all my co-litigants, some of whom I knew to be in
17 financial trouble, would be happy, the stress they felt would be
18 reduced and they could get on with their lives. Mr. Flynn and the
19 other lawyers would be happy and the threat to them and their
20 families would be removed. The organization would have the
21 opportunity they said they desired to clean up their act and start
22 anew. I would have the opportunity to get on with the next phase
23 of my life and the financial wherewithal to do so. I was also not
24 unhappy to at that time not have to testify in all the litigation
25 nor to respond to the media's frequent questions. If the
26 organization continued its fair game practices toward me I knew
27 that I would be left to defend myself and I accepted that fact.
28 So, armed with Mr. Flynn's advice that the conditions I found so

1 offensive in the settlement agreement were not worth the paper
2 they were printed on, and the knowledge that the organization's
3 attorneys were also aware of that legal opinion, I put on a happy
4 face and the following day went through the charade of a
5 videotaped signing.

6 18. It was my understanding and intention at the time of the
7 settlement that I would honor the silence and confidentiality
8 conditions of the settlement agreement, and that the organization
9 had agreed to do likewise.

10 19. Following the December 1986 settlement the organization
11 continued its fair game campaign against me in violation of the
12 spirit and letter of the settlement agreement which primarily
13 consisted of the distribution of false and defamatory statements
14 about me in public and in various lawsuits.

15 20. Since leaving the Scientology organization, I have
16 monitored the conduct of the organization. I am familiar with,
17 and have been the target and victim of the "fair game" doctrine
18 which has been described in a number of published judicial
19 decisions. Although Scientology claims that the "fair game"
20 doctrine has been abandoned, I know from personal experience that
21 this is not true, at least as recently as this year. For
22 instance, Scientology attempted in the first few months of 1993 to
23 have me jailed for contempt of court based upon the false
24 declaration of a lawyer, Laurie Bartilson, who is herself a
25 Scientologist, for acts which Scientology itself set up. This is
26 only the most recent of over a decade of "dirty tricks" which
27 Scientology personnel have directed at me.

28 21. As a result of the activities described above, I have

1 become very familiar with Scientology practices, procedures,
2 policies and policy documents, including those described below.

3 22. Attached to this declaration as Exhibit 1 is a true and
4 correct copy of a portion of Volume II of The Technical Bulletins
5 of Dianetics and Scientology, by L. Ron Hubbard, the founder of
6 Scientology. It includes (at page 157) the following description
7 of Scientology's practice of using litigation to harass its
8 opponents:

9 The purpose of the suit is to harass and discourage
10 rather than to win. [¶] The law can be used very
11 easily to harass, and enough harassment on somebody who
12 is simply on the thin edge anyway ... will generally be
sufficient to cause his professional decease. If
possible, of course, ruin him utterly.

13 23. Attached to this declaration as Exhibit 2 is a true and
14 correct copy of an internal Scientology document, Guardian Order
15 166, dated October 7, 1971. This document was written by the then
16 Guardian, Jane Kember, at the time the most senior Scientology
17 official under L. Ron Hubbard and his wife, Mary Sue Hubbard. GO
18 166 was included in the Intelligence Course Pack which I studied
19 while I was the Intelligence Officer on Scientology's ship, the
20 "Apollo," in the 1970's. This document includes the following
21 explanation that Scientology legal strategy in the U.S. is to use
22 litigation as a financial club:

23 The button used in effecting settlement is purely
24 financial. In other words, it is more costly to
25 continue the legal action than to settle in some
26 fashion. ... [¶] Therefore, it is imperative that
27 legal US Dev-T his opponents and their lawyers with
correspondence (a lawyer's letter costs approx \$50),
phone calls (time costs), interrogatories, depositions
and whatever else legal can mock up. [¶] One of the
bright spots of US legal is that even if you lose you
don't pay your opponent for his legal fees.

28 The term "Dev-T" is a term that Scientology uses to mean to cause

1 someone to do unnecessary work.

2 24. From my personal experience, I know that Scientology
3 does use the litigation approach described by Hubbard and Kember
4 in the quotes above. In various cases, Scientology has subjected
5 me to over 35 days of depositions. As a paralegal working on
6 cases involving Scientology for 16 months for Boston attorney
7 Michael Flynn and for over two years for California attorney Ford
8 Greene, I have observed Scientology's litigation practices.
9 Scientology regularly attempts to bludgeon the opposition into
10 submission with a blizzard of meritless paper, motions,
11 depositions, appeals, writs, State Bar complaints, criminal
12 complaints, perjured testimony and other improper and abusive
13 tactics.

14 25. Attached to this declaration as Exhibit 3 is a true and
15 correct copy of the June 20, 1984 decision by Paul G.
16 Breckenridge, Jr., in the case Church of Scientology of California
17 v. Armstrong, L.A. Superior Court No. C 420 153, which was
18 affirmed on appeal at 232 Cal.App.3d 1060, 283 Cal.Rptr. 917
19 (1991).

20 26. Attached to this declaration as Exhibit 4 is a true and
21 correct copy of the declaration dated June 4, 1993, I provided to
22 the attorneys for Larry Wollersheim in Church of Scientology
23 International v. Wollersheim, L.A.S.C. Case No. BC 074 815.

24 ///

25 ///

26 ///

27 ///

28 ///

1 I declare under the penalty of perjury under the laws of the
2 State of California that the foregoing is true and correct.

3 Executed this September 13, 1993, at San Anselmo, California.
4

5
6
7
8 

9 Gerald Armstrong
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The
Technical Bulletins
of
Dianetics and Scientology

by
L. Ron Hubbard
FOUNDER OF DIANETICS AND SCIENTOLOGY

Volume
II
1954–1956

*Published in
the United States of America
by*

CHURCH OF SCIENTOLOGY OF CALIFORNIA
Publications Organization United States
4833 Fountain Avenue,
East Annex
Los Angeles, California 90029

*The Church of Scientology of
California is a non-profit organization*

Volume II ISBN 0-88404-042-9
Complete Set ISBN 0-88404-051-8

*and in all other countries
by*

AOSH DK Publications Department A/S
Store Kongensgade 55
1264 Copenhagen K,
Denmark

Volume II ISBN 87-87347-82-2
Complete Set ISBN 87-87347-90-3

*Scientology is an Applied Religious Philosophy.
Dianetics® and Scientology® are registered names.*

First Printing 1976
Copyright © 1951, 1954, 1955,
1956, 1976, 1980
by L. Ron Hubbard
ALL RIGHTS RESERVED

No part of this book may be reproduced
without permission of the copyright owner.

The E-Meter is not intended or effective for the diagnosis,
treatment or prevention of any disease.

*Dianetics and Scientology are the trademarks of L. Ron Hubbard
in respect of his published works.*

Reprinted June 1980

IN ALL SUCH CASES OF ARREST FOR THE PRACTICE OF SCIENTOLOGY, THE HASI WILL SEND A REPRESENTATIVE AT ONCE, BUT DO NOT WAIT FOR HIS ARRIVAL TO PLACE THIS SUIT. THE SUIT MUST ALREADY HAVE BEEN FILED WHEN THE HASI ATTORNEY ARRIVES.

In other words, do not, at any moment leave this act unpunished, for, if you do you are harming all other Scientologists in the area. When you are attacked it is your responsibility then to secure from further attack not only yourself but all those who work with you. Cause blue flame to dance on the courthouse roof until everybody has apologized profusely for having dared to become so adventurous as to arrest a Scientologist who, as a minister of the church, was going about his regular duties. As far as the advices of attorneys go that you should not sue, that you should not attack, be aware of the fact that I, myself, in Wichita, Kansas, had the rather interesting experience of discovering that my attorney, employed by me and paid by me, had been for some three months in the employ of the people who were attacking me, and that this attorney had collected some insignificant sum of money after I hired him, by going over to the enemy and acting upon their advices. This actually occurred, so beware of attorneys who tell you not to sue. And I call to your attention the situation of any besieged fortress. If that fortress does not make sallies, does not send forth patrols to attack and harass, and does not utilize itself to make the besieging of it a highly dangerous occupation, that fortress may, and most often does, fall.

The DEFENSE of anything is UNTENABLE. The only way to defend anything is to ATTACK, and if you ever forget that, then you will lose every battle you are ever engaged in, whether it is in terms of personal conversation, public debate, or a court of law. NEVER BE INTERESTED IN CHARGES. DO, yourself, much MORE CHARGING, and you will WIN. And the public, seeing that you won, will then have a communication line to the effect that Scientologists WIN. Don't ever let them have any other thought than that Scientology takes all of its objectives.

Another point directly in the interest of keeping the general public to the general public communication line in good odor: it is vitally important that a Scientologist put into action and overtly keep in action Article 4 of the Code: "I pledge myself to punish to the fullest extent of my power anyone misusing or degrading Scientology to harmful ends." The only way you can guarantee that Scientology will not be degraded or misused is to make sure that only those who are trained in it practice it. If you find somebody practicing Scientology who is not qualified, you should give them an opportunity to be formally trained, at their expense, so that they will not abuse and degrade the subject. And you would not take as any substitute for formal training any amount of study.

You would therefore delegate to members of the HASI who are not otherwise certified only those processes mentioned below, and would discourage them from using any other processes. More particularly, if you discovered that some group calling itself "precept processing" had set up and established a series of meetings in your area, you would do all you could to make things interesting for them. In view of the fact that the HASI holds the copyrights for all such material, and that a scientific organization of material can be copyrighted and is therefore owned, the least that could be done to such an area is the placement of a suit against them for using materials of Scientology without authority. Only a member of the HASI or a member of one of the churches affiliated with the HASI has the authority to use this information. The purpose of the suit is to harass and discourage rather than to win.

The law can be used very easily to harass, and enough harassment on somebody who is simply on the thin edge anyway, well knowing that he is not authorized, will generally be sufficient to cause his professional decease. If possible, of course, ruin him utterly.

A D.ScN. has the power to revoke a certificate below the level of D.ScN. but not a D.ScN. However, he can even recommend to the CECS of the HASI that D.ScNs. be revoked, and so any sincere Scientologist is capable of policing Scientology. This is again all in the interest of keeping the public with a good opinion of Scientology, since

GC 100
To all
A/Gs
D/S ...
PFOs
Bur 4s

7 October 1971

RECEIVED

RE: BOOKS & ENTIRETA WRITTEN ABOUT SCIENTOLOGY
SI 504

In the UK, the following legal actions have been taken on entireta books which have been written about Scientology.

1. Saturn Slaves - this was a book all about Charles Manson and hippie cults in California. In several places, throughout the book, Charles Manson was mentioned as a former Scientologist (untrue) and it was alleged that he got his start with Scientology etc.

The publishers of the book were sued for libel -- they did not serve a defence but instead asked for settlement. It was agreed that they would pay us £100 damages, together with the costs of the action. They also agreed to make an apology in open court and to discontinue publication and sales of the book.

2. A psychologist by the name of Dr. Christopher Evans was writing a book entitled "20th Century Cults". Legal started writing to him and his publishers and later his lawyers. No proceedings were started because the book had not been published. However, endless letters were sent on and fro over a period of about a year, during which time it was made clear to the publishers and their lawyers that if they published the book, they would have to fight a legal action, which would lose them money.

Finally the publishers lawyers wrote to us to say that there was no point in continuing the correspondence because the publishers had now decided not to publish the book. As of this date the book has not been published.

3. C. H. Rolph, (small time author and journalist), was commissioned by the NAMH U.K. to write a book on the subject of the NAMH conflict with Scientology, from their viewpoint. PRM got in touch with Rolph - Rolph came down to SI and there were a series of friendly letters. Rolph finally submitted his manuscript to PRM but, in spite of the friendly visits, it turned out that he was just a NAMH lack and had written an attack.

Legal wrote to him and his lawyers, and pointed out that publication would be a contempt of court (because of other legal actions which we have against the NAMH). The book has not been published.

4. "Scientology, what it is - what it does" by Rev. Morris Burrell was the first book published in the UK, solely on the subject of Scientology. Burrell had been in comm with PFO and a long series of letters had passed between them. But once again, the book when published turned out to be hostile. The front cover of the book contained the Scientology double triangle and our first thought was to begin legal proceedings for infringement of trademark. However, on reading the book, it was discovered that Burrell had mentioned a number of libel actions in which C of S was engaged and had commented upon them.

EXHIBIT B

2

Thus, being a contempt of court, legal moved
the court for an order "that Morris C. Burrell do stand
committed to Her Majesty's Prison at Brixton and that the
publishers may be so committed for their several and respective
contempts".

So, legal took them to Court, and the Judge found
that the book was a contempt of court. So the book was
drawn from publication without any copies having been
sent to the public.

The latest book is by Cyril Vosper called "The Mindbenders",
a stupid bit of matter. A preview of the book was sent out
by the publishers, and PRO was alerted by a phone call from
a TV station, who wanted a confrontation on TV with Cyril
Vosper. This gave the G.O. 24 hours to stop the book, the
TV confrontation and attendant bad publicity.

The book contained numerous quotes from Scientology
books and policy letters etc and contained some data which
Vosper had learned on the Solo Course. Legal proceedings
were brought on the basis of breach of copyright and breach
of confidential relationship (meaning putting in details of
the Solo Course). As time was short, PRO did a superb job of
getting data, PRO did a superb job of stalling TV, and legal
went round to the Judge in the evening at his own home, to ask
for an injunction. (An injunction is a Court order stopping
a person from doing a particular act). In this case the
injunction was to prevent the book from being sold or
distributed. PRO went down to the TV station, to be ready
to appear, in case the injunction was not obtained. The
programme announcer had already made his introductions on
Cyril and his book, when the phone rang in the studio, and our
lawyer informed the producer that the injunction had been
obtained. The announcer was forced to apologize to the
viewers, and PRO handled the resultant tension after the
programme had not gone on, with a drunken Vosper and furious
producer.

The injunction was Ex parte (the other side was
not present when it was obtained) and 3 weeks later legal
went before the Court again for a contested hearing, to see
whether the injunction should be continued or not. Legal won
on both counts of copyright and breach of confidence. The
other side now have 14 days in which to appeal.

The point of relating these actions is to indicate
that the following countries have similar laws to Britain:

New Zealand

Australia

South Africa

Canada

There is no acceptable justification in these
countries for no action being taken against the publishers
and authors of enteletha books. The G.O. has to act fast,
collectively and with imagination. The skill required is in

- 1) Having the brains to see a possible course
of action, no matter how unlikely.
- 2) Having the necessary organisation to start
that action immediately and bring it to a
point of confrontation and decision.
(The longer the delay, the greater the chance
of failure).

EXHIBIT B

- 3) Legal U.K. seldom, if ever, assesses its chances of winning before commencing action. Its ability lies in getting the action into court fast, without a Q&A on the chances of winning. No-one can accurately assess in advance the chances of winning or losing, as this is a matter of individual lawyers, individual judges, how many are breaks the judge has that day, the particular circumstance of the particular case which strikes the Judge and good fortune. Good fortune never strikes you in Court, unless you are in Court.
- 4) Legal U.K. has been in courts more often in the past 3 years than the rest of the Scientology world combined. They have won more cases and lost more cases than anywhere else. They lost cases they were sure they would win, and won cases they were sure they would lose. The losses did not hurt us, and the successes established an iron clad ethics presence, which has probably prevented more entheta than we will ever know about (B4 feedback lines confirm this).
- 5) Do not worry about whether you will win or lose, but direct all effort and concentration on the legal technicalities required to achieve a legal confrontation.
- 6) It is always technically possible - though sometimes difficult, to get into Court. The most difficult part is in forcing your legal team, especially outside lawyers, to get this done, in spite of their terror of losing. It requires intention, determination and forceful persistence to get this done. Not legal genius.

Re USA

In America, where Freedom of Speech includes freedom to malign with impunity, except for old ladies and crippled men, much more imagination is required. Because of the Constitution of America, and case libel or libel, inclusive of recent Supreme Court decisions, it is impossible to prevent publication of libel. Attempts to prevent a book being published are called pre-publication censorship, and are extremely unpopular legally. However, where U.S. legal has been successful is prior to Court appearances and actual trial in effecting settlement.

The button used in effecting settlement is purely financial. In other words, it is more costly to continue the legal action than to settle in some fashion. Using this, legal U.S. usually moves for retraction of the libel and/or publication of a correction or Scientology viewpoint.

Therefore, it is imperative that legal US D-V-T his opponents and their lawyers with correspondence (a lawyer's letter costs approx \$50), phone calls (time costs), interrogatories, depositions and whatever else legal can mock up.

One of the bright spots of US legal is that even if you lose you don't pay your opponent for his lawyers fees. Therefore the cost of any legal action is small by comparison with Commonwealth Countries, where the loser pays everything.

N.B.: Any legal action on entheta publications needs the close co-ordination of PR, Legal and B4. One should carry forward without being afraid of being labelled litigious. We want the reputation that we use the laws of

EXHIBIT B

to uphold our legal and civil rights.

Legal terminals have only just been set up although the laws are different from Commonwealth and there are actions which can be taken if they are pushed and forced through.

Up to this point, the G.O. has been entirely swayed by our wog lawyers negative opinions but legal in ~~terms~~ should note the message in this Guardian order.

The message is that in combatting unethical articles and books, legal should be aggressive, fast, persistent and untiring.

Every skirmish should be treated like a major battle.

Jane Kember
Guardian World Wide

EXHIBIT B

FILED

JUN 22 1984
John L. Donovan

Rosie M. Hart
BY ROSIE M. HART, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY OF CALIFORNIA,
Plaintiff,
vs.
GERALD ARMSTRONG,
Defendant.

No. C 420153

MEMORANDUM OF
INTENDED DECISION

MARY SUE HUBBARD,
Intervenor.

In this matter heretofore taken under submission, the
Court announces its intended decision as follows:

As to the tort causes of action, plaintiff, and plaintiff
in intervention are to take nothing, and defendant is entitled
to Judgment and costs.

As to the equitable actions, the court finds that neither
plaintiff has clean hands, and that at least as of this time,
are not entitled to the immediate return of any document or
objects presently retained by the court clerk. All exhibits

1 received in evidence or marked for identification, unless
2 specifically ordered sealed¹, are matters of public record and
3 shall be available for public inspection or use to the same
4 extent that any such exhibit would be available in any other
5 lawsuit. In other words they are to be treated henceforth no
6 differently than similar exhibits in other cases in Superior
7 Court. Furthermore, the "inventory list and description," of
8 materials turned over by Armstrong's attorneys to the court,
9 shall not be considered or deemed to be confidential, private,
10 or under seal.

11 All other documents or objects presently in the possession
12 of the clerk (not marked herein as court exhibits) shall be
13 retained by the clerk, subject to the same orders as are
14 presently in effect as to sealing and inspection, until such
15 time as trial court proceedings are concluded as to the severed
16 cross complaint. For the purposes of this Judgment, conclusion
17 will occur when any motion for a new trial has been denied, or
18 the time within such a motion must be brought has expired
19 without such a motion being made. At that time, all documents
20 neither received in evidence, nor marked for identification
21 only, shall be released by the clerk to plaintiff's
22 representatives. Notwithstanding this order, the parties may
23
24

25 1. Exhibits in evidence No. 500-40; JJJ; KKK; LLL; MMM;
26 NNN; OOO; PPP; QQQ; RRR; and 500-QQQQ.

27 Exhibits for identification only No. JJJJ; Series
28 500-DDDD, EEEE, FFFF, GGGG, HHHH, IIII, NNNN-1, OOOO, ZZZZ,
CCCCC, GGGGG, IIIII, KKKKK, LLLLL, OOOOO, PPPPP, QQQQQ, BBBBBB,
OOOOOO, BBBBEE.

1 at any time by written stipulation filed with the clerk obtain
2 release of any or all such unused materials.

3 Defendant and his counsel are free to speak or communicate
4 upon any of Defendant Armstrong's recollections of his life as
5 a Scientologist or the contents of any exhibit received in
6 evidence or marked for identification and not specifically
7 ordered sealed. As to all documents, and other materials held
8 under seal by the clerk, counsel and the defendant shall remain
9 subject to the same injunctions as presently exist, at least
10 until the conclusion of the proceedings on the cross complaint.
11 However, in any other legal proceedings in which defense
12 counsel, or any of them, is of record, such counsel shall have
13 the right to discuss exhibits under seal, or their contents, if
14 such is reasonably necessary and incidental to the proper
15 representation of his or her client.

16 Further, if any court of competent jurisdiction orders
17 defendant or his attorney to testify concerning the fact of any
18 such exhibit, document, object, or its contents, such testimony
19 shall be given, and no violation of this order will occur.

20 Likewise, defendant and his counsel may discuss the contents of
21 any documents under seal or of any matters as to which this
22 court has found to be privileged as between the parties hereto,
23 with any duly constituted Governmental Law Enforcement Agency
24 or submit any exhibits or declarations thereto concerning such
25 document or materials, without violating any order of this
26 court.

27 ///

28 ///

124

1 This court will retain jurisdiction to enforce, modify,
2 alter, or terminate any injunction included within the
3 Judgment.

4 Counsel for defendant is ordered to prepare, serve, and
5 file a Judgment on the Complaint and Complaint in Intervention,
6 and Statement of Decision if timely and properly requested,
7 consistent with the court's intended decision.

8
9 Discussion

10 The court has found the facts essentially as set forth in
11 defendant's trial brief, which as modified, is attached as an
12 appendix to this memorandum. In addition the court finds that
13 while working for L.R. Hubbard (hereinafter referred to as
14 LRH), the defendant also had an informal employer-employee
15 relationship with plaintiff Church, but had permission and
16 authority from plaintiffs and LRH to provide Omar Garrison with
17 every document or object that was made available to Mr.
18 Garrison, and further, had permission from Omar Garrison to
19 take and deliver to his attorneys the documents and materials
20 which were subsequently delivered to them and thenceforth into
21 the custody of the County Clerk.

22 Plaintiff Church has made out a prima facie case of
23 conversion (as bailor of the materials), breach of fiduciary
24 duty, and breach of confidence (as the former employer who
25 provided confidential materials to its then employee for
26 certain specific purposes, which the employee later used for
27 other purposes to plaintiff's detriment). Plaintiff Mary Jane
28 Hubbard has likewise made out a prima facie case of conversion

1 and invasion privacy (misuse by a person of private matters
2 entrusted to him for certain specific purposes only).

3 While defendant has asserted various theories of defense,
4 the basic thrust of his testimony is that he did what he did,
5 because he believed that his life, physical and mental well
6 being, as well as that of his wife were threatened because the
7 organization was aware of what he knew about the life of LRH,
8 the secret machinations and financial activities of the Church,
9 and his dedication to the truth. He believed that the only way
10 he could defend himself, physically as well as from harassing
11 lawsuits, was to take from Omar Garrison those materials which
12 would support and corroborate everything that he had been
13 saying within the Church about LRH and the Church, or refute
14 the allegations made against him in the April 22 Suppressive
15 Person Declare. He believed that the only way he could be sure
16 that the documents would remain secure for his future use was
17 to send them to his attorneys, and that to protect himself, he
18 had to go public so as to minimize the risk that LRH, the
19 Church, or any of their agents would do him physical harm.

20 This conduct if reasonably believed in by defendant and
21 engaged in by him in good faith, finds support as a defense to
22 the plaintiff's charges in the Restatements of Agency, Torts,
23 and case law.

24 Restatement of Agency, Second, provides:

25 "Section 395f: An agent is privileged to reveal
26 information confidentially acquired by him in the course
27 of his agency in the protection of a superior interest of
28 himself or a third person.

1 "Section 418: An agent is privileged to protect
2 interests of his own which are superior to those of the
3 principal, even though he does so at the expense of the
4 principal's interest or in disobedience to his orders."

5 Restatement of torts, Second, section 271:

6 "One is privileged to commit an act which would
7 otherwise be a trespass to or a conversion of a chattel in
8 the possession of another, for the purpose of defending
9 himself or a third person against the other, under the
10 same conditions which would afford a privilege to inflict
11 harmful or offensive contact upon the other for the same
12 purpose."

13 The Restatement of Torts, Second, section 652a, as well as
14 case law, make it clear that not all invasions of privacy are
15 unlawful or tortious. It is only when the invasion is
16 unreasonable that it becomes actionable. Hence, the trier of
17 fact must engage in a balancing test, weighing the nature and
18 extent of the invasion, as against the purported justification
19 therefore to determine whether in a given case, the particular
20 invasion or intrusion was unreasonable.

21 In addition the defendant has asserted as a defense the
22 principal involved in the case of Willig v. Gold, 75
23 Cal.App.2d, 809, 814, which holds that an agent has a right or
24 privilege to disclose his principal's dishonest acts to the
25 party prejudicially affected by them.

26 Plaintiff Church has asserted and obviously has certain
27 rights arising out of the First Amendment. Thus, the court
28 cannot, and has not, inquired into or attempted to evaluate the

1 merits, accuracy, or truthfulness of Scientology or any of its
2 precepts as a religion. First Amendment rights, however,
3 cannot be utilized by the Church or its members, as a sword to
4 preclude the defendant, whom the Church is suing, from
5 defending himself. Therefore, the actual practices of the
6 Church or its members, as it relates to the reasonableness of
7 the defendant's conduct and his state of mind are relevant,
8 admissible, and have been considered by the court.

9 ..As indicated by its factual findings, the court finds the
10 testimony of Gerald and Jocelyn Armstrong, Laurel Sullivan,
11 Nancy Dincalcis, Edward Walters, Omar Garrison, Kima Douglas,
12 and Howard Schomer to be credible, extremely persuasive, and
13 the defense of privilege or justification established and
14 corroborated by this evidence. Obviously, there are some
15 discrepancies or variations in recollections, but these are the
16 normal problems which arise from lapse of time, or from
17 different people viewing matters or events from different
18 perspectives. In all critical and important matters, their
19 testimony was precise, accurate, and rang true. The picture
20 painted by these former dedicated Scientologists, all of whom
21 were intimately involved with LRH, or Mary Jane Hubbard, or of
22 the Scientology Organization, is on the one hand pathetic, and
23 on the other, outrageous. Each of these persons literally gave
24 years of his or her respective life in support of a man, LRH,
25 and his ideas. Each has manifested a waste and loss or
26 frustration which is incapable of description. Each has broken
27 with the movement for a variety of reasons, but at the same
28 time, each is, still bound by the knowledge that the Church has

1 in its posse. On his or her most inner thoughts and
2 confessions, all recorded in "pre-clear (P.C.) folders" or
3 other security files of the organization, and that the Church
4 or its minions is fully capable of intimidation or other
5 physical or psychological abuse if it suits their ends. The
6 record is replete with evidence of such abuse.

7 In 1970 a police agency of the French Government conducted
8 an investigation into Scientology and concluded, "this sect,
9 under the pretext of 'freeing humans' is nothing in reality but
10 a vast enterprise to extract the maximum amount of money from
11 its adepts by (use of) pseudo-scientific theories, by (use of)
12 'auditions' and 'stage settings' (lit. to create a theatrical
13 scene') pushed to extremes (a machine to detect lies, its own
14 particular phraseology . . .), to estrange adepts from their
15 families and to exercise a kind of blackmail against persons
16 who do not wish to continue with this sect."² From the
17 evidence presented to this court in 1984, at the very least,
18 similar conclusions can be drawn. In addition to violating and
19 abusing its own members civil rights, the organization over the
20 years with its "Fair Game" doctrine has harassed and abused
21 those persons not in the Church whom it perceives as enemies.
22 The organization clearly is schizophrenic and paranoid, and
23 this bizarre combination seems to be a reflection of its
24 founder LRH. The evidence portrays a man who has been
25 virtually a pathological liar when it comes to his history,
26
27

28 2. Exhibit 500-HHHHH.

1 background, . . . achievements. The writ. gs and documents in
2 evidence additionally reflect his egoism, greed, avarice, lust
3 for power, and vindictiveness and aggressiveness against
4 persons perceived by him to be disloyal or hostile. At the
5 same time it appears that he is charismatic and highly capable
6 of motivating, organizing, controlling, manipulating, and
7 inspiring his adherents. He has been referred to during the
8 trial as a "genius," a "revered person," a man who was "viewed
9 by his followers in awe." Obviously, he is and has been a very
10 complex person, and that complexity is further reflected in his
11 alter ego, the Church of Scientology. Notwithstanding
12 protestations to the contrary, this court is satisfied that LRH
13 runs the Church in all ways through the Sea Organization, his
14 role of Commodore, and the Commodore's Messengers.³ He has, of
15 course, chosen to go into "seclusion," but he maintains contact
16 and control through the top messengers. Seclusion has its
17 light and dark side too. It adds to his mystique, and yet
18 shields him from accountability and subpoena or service of
19 summons.

20 LRH's wife, Mary Sue Hubbard is also a plaintiff herein.
21 On the one hand she certainly appeared to be a pathetic
22 individual. She was forced from her post as Controller,
23 convicted and imprisoned as a felon, and deserted by her
24 husband. On the other hand her credibility leaves much to be
25 desired. She struck the familiar pose of not seeing, hearing,
26

27 3. See Exhibit K: Flag Order 3729 - 15 September 1978
28 "Commodore's Messengers."

1 or knowing a evil. Yet she was the head of the Guardian
2 Office for years and among other things, authored the infamous
3 order "GO 121669"⁴ which directed culling of supposedly
4 confidential P.C. files/folders for purposes of internal
5 security. In her testimony she expressed the feeling that
6 defendant by delivering the documents, writings, letters to his
7 attorneys, subjected her to mental rape. The evidence is clear
8 and the court finds that defendant and Omar Garrison had
9 permission to utilize these documents for the purpose of
10 Garrison's proposed biography. The only other persons who were
11 shown any of the documents were defendant's attorneys, the
12 Douglasses, the Dincalcis, and apparently some documents
13 specifically affecting LRH's son "Nibs," were shown to "Nibs."
14 The Douglasses and Dincalcises were disaffected Scientologists
15 who had a concern for their own safety and mental security, and
16 were much in the same situation as defendant. They had not
17 been declared as suppressive, but Scientology had their P.C.
18 folders, as well as other confessions, and they were extremely
19 apprehensive. They did not see very many of the documents, and
20 it is not entirely clear which they saw. At any rate Mary Sue
21 Hubbard did not appear to be so much distressed by this fact,
22 as by the fact that Armstrong had given the documents to
23 Michael Flynn, whom the Church considered its foremost
24
25
26
27
28

4. Exhibit AAA.

1 lawyer-enemy." However, just as the plaintiffs have First
2 Amendment rights, the defendant has a Constitutional right to
3 an attorney of his own choosing. In legal contemplation the
4 fact that defendant selected Mr. Flynn rather than some other
5 lawyer cannot by itself be tortious. In determining whether
6 the defendant unreasonably invaded Mrs. Hubbard's privacy, the
7 court is satisfied the invasion was slight, and the reasons and
8 justification for defendant's conduct manifest. Defendant was
9 told by Scientology to get an attorney. He was declared an
10 enemy by the Church. He believed, reasonably, that he was
11 subject to "fair game." The only way he could defend himself,
12 his integrity, and his wife was to take that which was
13 available to him and place it in a safe harbor, to wit, his
14 lawyer's custody. He may have engaged in overkill, in the
15 sense that he took voluminous materials, some of which appear
16 only marginally relevant to his defense. But he was not a
17 lawyer and cannot be held to that precise standard of judgment.
18 Further, at the time that he was accumulating the material, he
19 was terrified and undergoing severe emotional turmoil. The
20 court is satisfied that he did not unreasonably intrude upon
21 Mrs. Hubbard's privacy under the circumstances by in effect
22 simply making his knowledge that of his attorneys. It is, of
23 course, rather ironic that the person who authorized G.O. order
24 121669 should complain about an invasion of privacy. The
25

26 5. "No, I think my emotional distress and upset is the
27 fact that someone took papers and materials without my
28 authorization and then gave them to your Mr. Flynn."
Reporter's Transcript, p. 1006.

1 practice of culling supposedly confidential "P.C. folders or
2 files" to obtain information for purposes of intimidation
3 and/or harassment is repugnant and outrageous. The Guardian's
4 Office, which plaintiff headed, was no respecter of anyone's
5 civil rights, particularly that of privacy. Plaintiff Mary Sue
6 Hubbard's cause of action for conversion must fail for the same
7 reason as plaintiff Church. The documents were all together in
8 Omar Garrison's possession. There was no rational way the
9 defendant could make any distinction.

10 Insofar as the return of documents is concerned, matters
11 which are still under seal may have evidentiary value in the
12 trial of the cross complaint or in other third party
13 litigation. By the time that proceedings on the cross
14 complaint are concluded, the court's present feeling is that
15 those documents or objects not used by that time should be
16 returned to plaintiff. However, the court will reserve
17 jurisdiction to reconsider that should circumstances warrant.

18 Dated: June 20, 1984

19
20 *Paul G. Breckenridge, Jr.*
21 PAUL G. BRECKENRIDGE, JR.
22 Judge of the Superior Court

23
24 THE DOCUMENT TO WHICH THIS CERTIFICATE IS AT-
25 TACHED IS A FULL TRUE AND CORRECT COPY OF THE
26 ORIGINAL ON FILE AND OF RECORD IN MY OFFICE.

27 ATTEST

SEP 11 1984

19

28 JOHN J. CONCORAN, County Clerk and Clerk of the
Superior Court of California,
County of Los Angeles

BY

DEPUTY

S. HURST

1
2 Appendix

3 Defendant Armstrong was involved with Scientology from
4 1969 through 1981, a period spanning 12 years. During that
5 time he was a dedicated and devoted member who revered the
6 founder, L. Ron Hubbard. There was little that Defendant
7 Armstrong would not do for Hubbard or the Organization. He
8 gave up formal education, one-third of his life, money and
9 anything he could give in order to further the goals of
10 Scientology, goals he believed were based upon the truth,
11 honesty, integrity of Hubbard and the Organization.

12 From 1971 through 1981, Defendant Armstrong was a member
13 of the Sea Organization, a group of highly trained
14 scientologists who were considered the upper echelon of the
15 Scientology organization. During those years he was placed in
16 various locations, but it was never made clear to him exactly
17 which Scientology corporation he was working for. Defendant
18 Armstrong understood that, ultimately, he was working for L.
19 Ron Hubbard, who controlled all Scientology finances,
20 personnel, and operations while Defendant was in the Sea
21 Organization.

22 Beginning in 1979 Defendant Armstrong resided at Gilman
23 Hot Springs, California, in Hubbard's "Household Unit." The
24 Household Unit took care of the personal wishes and needs of
25 Hubbard at many levels. Defendant Armstrong acted as the L.
26 Ron Hubbard Renovations In-Charge and was responsible for
27 renovations, decoration, and maintenance of Hubbard's home and
28 office at Gilman Hot Springs.

///

134

1 In January of 1980 there was an announcement of a possible
2 raid to be made by the FBI or other law enforcement agencies of
3 the property. Everyone on the property was required by
4 Hubbard's representatives, the Commodore's Messengers, to go
5 through all documents located on the property and "vet" or
6 destroy anything which showed that Hubbard controlled
7 Scientology organizations, retained financial control, or was
8 issuing orders to people at Gilman Hot Springs.

9 A commercial paper shredder was rented and operated day
10 and night for two weeks to destroy hundreds of thousands of
11 pages of documents.

12 During the period of shredding, Brenda Black, the
13 individual responsible for storage of Hubbard's personal
14 belongings at Gilman Hot Springs, came to Defendant Armstrong
15 with a box of documents and asked whether they were to be
16 shredded. Defendant Armstrong reviewed the documents and found
17 that they consisted of a wide variety of documents including
18 Hubbard's personal papers, diaries, and other writings from a
19 time before he started Dianetics in 1950, together with
20 documents belonging to third persons which had apparently been
21 stolen by Hubbard or his agents. Defendant Armstrong took the
22 documents from Ms. Black and placed them in a safe location on
23 the property. He then searched for and located another twenty
24 or more boxes containing similar materials, which were poorly
25 maintained.

26 On January 8, 1980, Defendant Armstrong wrote a petition
27 to Hubbard requesting his permission to perform the research
28 for a biography to be done about his life. The petition states

1 that Defendant Armstrong had located the subject materials and
2 lists of a number of activities he wished to perform in
3 connection with the biography research.

4 Hubbard approved the petition, and Defendant Armstrong
5 became the L. Ron Hubbard Personal Relations Officer Researcher
6 (PPRO Res). Defendant claims that this petition and its
7 approval forms the basis for a contract between Defendant and
8 Hubbard. Defendant Armstrong's supervisor was then Laurel
9 Sullivan, L. Ron Hubbard's Personal Public Relations Officer.

10 During the first part of 1980, Defendant Armstrong moved
11 all of the L. Ron Hubbard Archives materials he had located at
12 Gilman Hot Springs to an office in the Church of Scientology
13 Cedars Complex in Los Angeles. These materials comprised
14 approximately six file cabinets. Defendant Armstrong had
15 located himself in the Cedars Complex, because he was also
16 involved in "Mission Corporate Category Sort-Out," a mission to
17 work out legal strategy. Defendant Armstrong was involved with
18 this mission until June of 1980.

19 It was also during this early part of 1980 that Hubbard
20 left the location in Gilman Hot Springs, California, and went
21 into hiding. Although Defendant Armstrong was advised by
22 Laurel Sullivan that no one could communicate with Hubbard,
23 Defendant Armstrong knew that the ability for communication
24 existed, because he had forwarded materials to Hubbard at his
25 request in mid-1980.

26 Because of this purported inability to communicate with
27 Hubbard, Defendant Armstrong's request to purchase biographical
28 materials of Hubbard from people who offered them for sale went

1 to the Commoc. 's Messenger Organization, the personal
2 representatives of Hubbard.

3 In June of 1980 Defendant Armstrong became involved in the
4 selection of a writer for the Hubbard biography. Defendant
5 Armstrong learned that Hubbard had approved of a biography
6 proposal prepared by Omar Garrison, a writer who was not a
7 member of Scientology. Defendant Armstrong had meetings with
8 Mr. Garrison regarding the writing of the biography and what
9 documentation and assistance would be made available to him.
10 As understood by Mr. Garrison, Defendant Armstrong represented
11 Hubbard in these discussions.

12 Mr. Garrison was advised that the research material he
13 would have at his disposal were Hubbard's personal archives.
14 Mr. Garrison would only undertake a writing of the biography if
15 the materials provided to him were from Hubbard's personal
16 archives, and only if his manuscript was subject to the
17 approval of Hubbard himself.

18 In October of 1980 Mr. Garrison came to Los Angeles and
19 was toured through the Hubbard archives materials that
20 Defendant Armstrong had assembled up to that time. This was an
21 important "selling point" in obtaining Mr. Garrison's agreement
22 to write the biography. On October 30, 1980, an agreement was
23 entered into between Ralston-Pilot, ncw. F/S/O Omar V.
24 Garrison, and AOSH DK Publications of Copenhagen, Denmark, for
25 the writing of a biography of Hubbard.

26 Paragraph 10B of the agreement states that:

27 "Publisher shall use its best efforts to provide
28 Author with an office, an officer assistant and/or

1 research assistant, office supplies and any needed
2 archival and interview materials in connection with
3 the writing of the Work."

4 The "research assistant" provided to Mr. Garrison was
5 Defendant Armstrong.

6 During 1980 Defendant Armstrong exchanged correspondence
7 with Intervenor regarding the biography project. Following his
8 approval by Hubbard as biography researcher, Defendant
9 Armstrong wrote to Intervenor on February 5, 1980, advising her
10 of the scope of the project. In the letter Defendant stated
11 that he had found documents which included Hubbard's diary from
12 his Orient trip, poems, essays from his youth, and several
13 personal letters, as well as other things.

14 By letter of February 11, 1980, Intervenor responded to
15 Defendant, acknowledging that he would be carrying out the
16 duties of Biography Researcher.

17 On October 14, 1980, Defendant Armstrong again wrote to
18 Intervenor, updating her on "Archives materials" and proposing
19 certain guidelines for the handling of those materials.

20 It was Intervenor who, in early 1981, ordered certain
21 biographical materials from "Controller Archives" to be
22 delivered to Defendant Armstrong. These materials consisted of
23 several letters written by Hubbard in the 1920's and 1930's,
24 Hubbard's Boy Scout books and materials, several old Hubbard
25 family photographs, a diary kept by Hubbard in his youth, and
26 several other items.

27 Defendant Armstrong received these materials upon the
28 order of Intervenor, following his letter of October 15, 1980,

1 to her in which Defendant stated, at page 1, that there were
2 materials in the "Controller Archives" that would be helpful to
3 him in the biography research.

4 After these materials were delivered to Defendant
5 Armstrong, Intervenor was removed from her Scientology position
6 of Controller in 1981, presumably because of her conviction for
7 the felony of obstruction of justice in connection with the
8 theft of Scientology documents from various government offices
9 and agencies in Washington, D.C.

10 During the time Defendant Armstrong worked on the
11 biography project and acted as Hubbard Archivist, there was
12 never any mention that he was not to be dealing with Hubbard's
13 personal documents or that the delivery of those documents to
14 Mr. Garrison was not authorized.

15 For the first year or more of the Hubbard biography and
16 archive project, funding came from Hubbard's personal staff
17 unit at Gilman Hot Springs, California. In early 1981,
18 however, Defendant Armstrong's supervisor, Laurel Sullivan,
19 ordered him to request that funding come from what was known as
20 SEA Org Reserves. Approval for this change in funding came
21 from the SEA Org Reserves Chief and Watch Dog Committee, the
22 top Commodores Messenger Organization unit, who were Hubbard's
23 personal representatives.

24 From November of 1980 through 1981, Defendant Armstrong
25 worked closely with Mr. Garrison, assembling Hubbard's archives
26 into logical categories, copying them and arranging the copies
27 of the Archives materials into bound volumes. Defendant
28 Armstrong made two copies of almost all documents copied for

1 Mr. Garrison - one for Mr. Garrison and the other to remain in
2 Hubbard Archives for reference or recopying. Defendant
3 Armstrong created approximately 400 binders of documents. The
4 vast majority of the documents for Mr. Garrison came from
5 Hubbard's personal Archives, of which Defendant Armstrong was
6 in charge. Materials which came from other Archives, such as
7 the Controller Archives, were provided to Defendant Armstrong
8 by Scientology staff members who had these documents in their
9 care.

10 It was not until late 1981 that Plaintiff was to provide a
11 person to assist on the biography project by providing Mr.
12 Garrison with "Guardian Office" materials, otherwise described
13 as technical materials relating to the operation of
14 Scientology. The individual appointed for this task was Vaughn
15 Young. Controller Archives and Guardian Office Archives had no
16 connection to the Hubbard Archives, which Defendant Armstrong
17 created and maintained as Hubbard's personal materials.

18 In addition to the assemblage of Hubbard's Archives,
19 Defendant Armstrong worked continually on researching and
20 assembling materials concerning Hubbard by interviewing dozens
21 of individuals, including Hubbard's living aunt, uncle, and
22 four cousins. Defendant Armstrong did a geneology study of
23 Hubbard's family and collected, assembled, and read hundreds of
24 thousands of pages of documentation in Hubbard's Archives.

25 During 1980 Defendant Armstrong remained convinced of
26 Hubbard's honesty and integrity and believed that the
27 representations he had made about himself in various
28 publications were truthful. Defendant Armstrong was devoted to

1 Hubbard and was convinced that any information which he
2 discovered to be unflattering of Hubbard or contradictory to
3 what Hubbard has said about himself, was a lie being spread by
4 Hubbard's enemies. Even when Defendant Armstrong located
5 documents in Hubbard's Archives which indicated that
6 representations made by Hubbard and the Organization were
7 untrue, Defendant Armstrong would find some means to "explain
8 away" the contradictory information.

9 Slowly, however, throughout 1981, Defendant Armstrong
10 began to see that Hubbard and the Organization had continuously
11 lied about Hubbard's past, his credentials, and his
12 accomplishments. Defendant Armstrong believed, in good faith,
13 that the only means by which Scientology could succeed in what
14 Defendant Armstrong believed was its goal of creating an
15 ethical environment on earth, and the only way Hubbard could be
16 free of his critics, would be for Hubbard and the Organization
17 to discontinue the lies about Hubbard's past, his credentials,
18 and accomplishments. Defendant Armstrong resisted any public
19 relations piece or announcement about Hubbard which the L. Ron
20 Hubbard Public Relations Bureau proposed for publication which
21 was not factual. Defendant Armstrong attempted to change and
22 make accurate the various "about the author" sections in
23 Scientology books, and further, Defendant rewrote or critiqued
24 several of these and other publications for the L. Ron Hubbard
25 Public Relations Bureau and various Scientology Organizations.
26 Defendant Armstrong believed and desired that the Scientology
27 Organization and its leader discontinue the perpetration of the

28 ///

1 massive fraud upon the innocent followers of Scientology, and
2 the public at large.

3 Because of Defendant Armstrong's actions, in late November
4 of 1981, Defendant was requested to come to Gilman Hot Springs
5 by Commodore Messenger Organization Executive, Cirrus Slevin.
6 Defendant Armstrong was ordered to undergo a "security check,"
7 which involved Defendant Armstrong's interrogation while
8 connected to a crude Scientology lie detector machine called an
9 E-meter.

10 The Organization wished to determine what materials
11 Defendant Armstrong had provided to Omar Garrison. Defendant
12 Armstrong was struck by the realization that the Organization
13 would not work with him to correct the numerous fraudulent
14 representations made to followers of Scientology and the public
15 about L. Ron Hubbard and the Organization itself. Defendant
16 Armstrong, who, for twelve years of his life, had placed his
17 complete and full trust in Mr. and Mrs. Hubbard and the
18 Scientology Organization, saw that his trust had no meaning and
19 that the massive frauds perpetrated about Hubbard's past,
20 credentials, and accomplishments would continue to be spread.

21 Less than three weeks before Defendant Armstrong left
22 Scientology, he wrote a letter to Cirrus Slevin on November 25,
23 1981, in which it is clear that his intentions in airing the
24 inaccuracies, falsehoods, and frauds regarding Hubbard were
25 done in good faith. In his letter he stated as follows:

26 "If we present inaccuracies, hyperbole
27 or downright lies as fact or truth, it
28 doesn't matter what slant we give them, if

1 disproved the man will look, to outsiders
2 at least, like a charlatan. This is what
3 I'm trying to prevent and what I've been
4 working on the past year and a half.

5

6 "and that is why I said to Norman that
7 it is up to us to insure that everything
8 which goes out about LRH is one hundred
9 percent accurate. That is not to say that
10 opinions can't be voiced, they can. And
11 they can contain all the hype you want.
12 But they should not be construed as facts.
13 And anything stated as a fact should be
14 documentable.

15 "we are in a period when
16 'investigative reporting' is popular, and
17 when there is relatively easy access to
18 documentation on a person. We can't delude
19 ourselves I believe, if we want to gain
20 public acceptance and cause some betterment
21 in society, that we can get away with
22 statements, the validity of which we don't
23 know.

24 "The real disservice to LRH, and the
25 ultimate make-wrong is to go on assuming
26 that everything he's ever written or said
27 -- is one hundred percent accurate and publish
28 it as such without verifying it. I'm

1 talking here about biographical or
2 non-technical writings. This only leads,
3 should any of his statements turn out to be
4 inaccurate, to a make-wrong of him, and
5 consequently his technology.

6 "That's what I'm trying to remedy and
7 prevent.

8
9 "To say that LRH is not capable of
10 hype, errors or lies is certainly [^]sic; not
11 granting him much of a beingness. To
12 continue on with the line that he has never
13 erred nor lied is counterproductive. It is
14 an unreal attitude and too far removed from
15 both the reality and people in general that
16 it would widen public unacceptance.

17
18 " That is why I feel the
19 falsities must be corrected, and why we
20 must verify our facts and present them in a
21 favorable light."

22
23 The remainder of the letter contains examples of facts
24 about Hubbard which Defendant Armstrong found to be wholly
25 untrue or inaccurate and which were represented as true by the
26 Hubbards and the Scientology Organization.

27 In December of 1981 Defendant Armstrong made the decision
28 to leave the Church of Scientology. In order to continue in

1 his commitment to Hubbard and Mr. Garrison in the biography
2 project, he copied a large quantity of documents, which Mr.
3 Garrison had requested or which would be useful to him for the
4 biography. Defendant Armstrong delivered all of this material
5 to Mr. Garrison the date he left the SEA Organization and kept
6 nothing in his possession.

7 Thereafter, Defendant Armstrong maintained friendly
8 relations with Hubbard's representatives by returning to the
9 Archives office and discussing the various categories of
10 materials. In fact on February 24, 1982, Defendant Armstrong
11 wrote to Vaughn Young, regarding certain materials Mr. Young
12 was unable to locate for Omar Garrison.

13 After this letter was written, Defendant Armstrong went to
14 the Archives office and located certain materials Mr. Garrison
15 had wanted which Hubbard representatives claimed they could not
16 locate.

17 At the time Defendant Armstrong left the SEA Organization,
18 he was disappointed with Scientology and Hubbard, and also felt
19 deceived by them. However, Defendant Armstrong felt he had no
20 enemies and felt no ill will toward anyone in the Organization
21 or Hubbard, but still believed that a truthful biography should
22 be written.

23 After leaving the SEA Organization, Defendant ARMstrong
24 continued to assist Mr. Garrison with the Hubbard biography
25 project. In the spring of 1982, Defendant Armstrong at Mr.
26 Garrison's request, transcribed some of his interview tapes,
27 copied some of the documentation he had, and assembled several
28 more binders of copied materials. Defendant Armstrong also set

1 up shelves for Mr. Garrison for all the biography research
2 materials, worked on a cross-reference systems, and continued
3 to do library research for the biography.

4 On February 18, 1982, the Church of Scientology
5 International issued a "Suppressive Person Declare Gerry
6 Armstrong," which is an official Scientology document issued
7 against individuals who are considered as enemies of the
8 Organization. Said Suppressive Person Declare charged that
9 Defendant Armstrong had taken an unauthorized leave and that he
10 was spreading destructive rumors about Senior Scientologists.

11 Defendant Armstrong was unaware of said Suppressive Person
12 Declare until April of 1982. At that time a revised Declare
13 was issued on April 22, 1982. Said Declare charged Defendant
14 Armstrong with 18 different "Crimes and High Crimes and
15 Suppressive Acts Against the Church." The charges included
16 theft, juggling accounts, obtaining loans on money under false
17 pretenses, promulgating false information about the Church,
18 its founder, and members, and other untruthful allegations
19 designed to make Defendant Armstrong an appropriate subject of
20 the Scientology "Fair Game Doctrine." Said Doctrine allows any
21 suppressive person to be "tricked, cheated, lied to, sued, or
22 destroyed."

23 The second declare was issued shortly after Defendant
24 Armstrong attempted to sell photographs of his wedding on board
25 Hubbard's ship (in which Hubbard appears), and photographs
26 belonging to some of his friends, which also included photos of
27 L.R. Hubbard while in seclusion. Although Defendant Armstrong
28 delivered the photographs to a Virgil Wilhite for sale, he

1 never received payment or return of his friend's photographs.
2 When he became aware that the Church had these photographs, he
3 went to the Organization to request their return. A loud and
4 boisterous argument ensued, and he eventually was told to leave
5 the premises and get an attorney.

6 From his extensive knowledge of the covert and
7 intelligence operations carried out by the Church of
8 Scientology of California against its enemies (suppressive
9 persons), Defendant Armstrong became terrified and feared that
10 his life and the life of his wife were in danger, and he also
11 feared he would be the target of costly and harassing lawsuits.
12 In addition, Mr. Garrison became afraid for the security of the
13 documents and believed that the intelligence network of the
14 Church of Scientology would break and enter his home to
15 retrieve them. Thus, Defendant Armstrong made copies of
16 certain documents for Mr. Garrison and maintained them in a
17 separate location.

18 It was thereafter, in the summer of 1982, that Defendant
19 Armstrong asked Mr. Garrison for copies of documents to use in
20 his defense and sent the documents to his attorneys, Michael
21 Flynn and Contos & Bunch.

22 After the within suit was filed on August 2, 1982,
23 Defendant Armstrong was the subject of harassment, including
24 being followed and surveilled by individuals who admitted
25 employment by Plaintiff; being assaulted by one of these
26 individuals; being struck bodily by a car driven by one of
27 these individuals; having two attempts made by said individuals
28 apparently to involve Defendant Armstrong in a freeway

1 automobile accident; having said individuals come onto
2 Defendant Armstrong's property, spy in his windows, create
3 disturbances, and upset his neighbors. During trial when it
4 appeared that Howard Schomer (a former Scientologist) might be
5 called as a defense witness, the Church engaged in a somewhat
6 sophisticated effort to suppress his testimony. It is not
7 clear how the Church became aware of defense intentions to call
8 Mr. Schomer as a witness, but it is abundantly clear they
9 sought to entice him back into the fold and prevent his
10 testimony.
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DECLARATION OF GERALD ARMSTRONG

I, Gerald Armstrong, having personal knowledge of the following, hereby declare and state:

1. I became involved with Scientology as a customer in 1969 in Vancouver, British Columbia. I worked on staff there in 1970 and in February 1971 joined the Sea Organization (SO or Sea Org) in Los Angeles. I was flown to Spain and joined the Sea Org's flag ship, "Apollo," in Morocco. L. Ron Hubbard, the Sea Org's "Commodore," was on board and operated Scientology internationally through the "crew" which numbered, during my stay on board of four and a half years, around four hundred. All my staff positions on board involved personal contact with L. Ron Hubbard, Mary Sue Hubbard, administrative organization staff and people in the ports and countries the "Apollo" visited, and included "Ship's Representative" (legal representative), "Port Captain" (public relations officer), and "Information Officer" (intelligence officer).

2. In the fall of 1975 after the ship operation moved ashore in Florida I was posted in the Guardian's Office (GO) Intelligence Bureau connected to Hubbard's Personal Office. From December 1975 through June 1976 I held the post of Deputy LRH External Communications Aide, a relay terminal for Hubbard's written and telex traffic to and from Scientology organizations. From July 1976 to December 1977 I was assigned, on Hubbard's order, to the "Rehabilitation Project Force" (RPF), the SO prison system. In 1978 I worked in Hubbard's cinematography crew in La Quinta, California, making movies under his direction until the fall of that year when he again

1 assigned me to the RPF, this time for eight months first in La
2 Quinta, then at a newly purchased base in Gilman Hot Springs
3 near Hemet, California. When I got out of the RPF in the
4 Spring of 1979 and until the beginning of 1980, I worked in
5 Hubbard's "Household Unit" (HU) at Gilman, the SO unit which
6 took care of Hubbard's house, personal effects, transport,
7 meals and so forth, as the "Purchaser," "Renovations In-Charge"
8 and "Deputy Commanding Officer HU."

9 3. Throughout 1980 and until I left the organization in
10 December 1981 I held the organization posts in Hubbard's
11 "Personal Public Relations Bureau" of "LRH Archivist" and "LRH
12 Personal Researcher." I assembled in Los Angeles an archive of
13 Hubbard's writings and other materials relating to his history
14 to be used as, inter alia, the basis for a biography to be
15 written about the man. I also worked in Los Angeles for the
16 first few months of 1980 on Mission Corporate Category Sortout
17 (MCCS), which had the purpose of restructuring the Scientology
18 enterprise so that Hubbard could continue to control it without
19 being liable for its actions. Beginning in the fall of 1980
20 and continuing until my departure, I provided the biographical
21 writings and other materials, as I collected and organized
22 them, to Omar Garrison, who had contracted with the
23 organization to write the Hubbard biography. I interviewed
24 many people who had known Mr. Hubbard at periods throughout his
25 life, including almost all of his known living relatives. I
26 traveled several thousand miles collecting biographical
27 information and conducting a genealogy search, and arranged the
28 purchase of a number of collections of Hubbard-related

1 documents and other materials from individual collectors.

2 4. As a result of the activities described above, I have
3 become very familiar with Scientology policies, practices, and
4 policy documents. I also know that the Church of Scientology
5 of California, as part of the Scientology organization, has
6 followed and implemented these policies and practices,
7 including those described below.

8 5. Attached to this declaration as Exhibit A is a true
9 copy of a portion of volume II of The Technical Bulletins of
10 Dianetics and Scientology, by L. Ron Hubbard, the founder of
11 Scientology. It includes (at page 157) the following
12 description of Scientology's practice of using litigation to
13 harass its opponents:

14 The purpose of the suit is to harass and discourage rather
15 than to win. [¶] The law can be used very easily to
16 harass, and enough harassment on somebody who is simply on
the thin edge anyway...will generally be sufficient to
cause his professional decease. If possible, of course,
ruin him utterly.

17 6. Attached to this declaration as Exhibit B is a true
18 copy of an internal Scientology document, Guardian Order 166,
19 dated October 7, 1971. This document was written by the then
20 Guardian, Jane Kember, at that time the most senior Scientology
21 official under L. Ron Hubbard and his wife, Mary Sue Hubbard.
22 GO 166 was included in the Intelligence Course Pack which I
23 studied while I was the Intelligence Officer on Scientology's
24 ship the "Apollo" in the 1970's. This document includes the
25 following explanation that Scientology legal strategy in the
26 U.S. is to use litigation as a financial club:

27 The button used in effecting settlement is purely
28 financial. In other words, it is more costly to continue
the legal action than to settle in some fashion. ... [¶]

1 Therefore, it is imperative that legal US Dev-T his
2 opponents and their lawyers with correspondence (a
3 lawyer's letter costs approx \$50), phone calls (time
4 costs), interrogatories, depositions and whatever else
legal can mock up. [¶] One of the bright spots of US
legal is that even if you lose you don't pay your opponent
for his lawyers fees.

5 The phrase "Dev-T" is a term which Scientology uses to mean to
6 cause someone to do unnecessary work.

7 7. Since leaving the Scientology organization, I have
8 monitored the conduct of the organization, including the Church
9 of Scientology of California. I am familiar with, and have
10 been a target and victim of the "fair game" doctrine, which was
11 described by the California Court of Appeal decisions in Church
12 of Scientology v. Armstrong, Allard v. Church of Scientology,
13 and Wollersheim v. Church of Scientology. Although Scientology
14 claims that the "fair game" doctrine has been abandoned, I know
15 from personal experience that this is not true, at least as
16 recently as this year. For instance, Scientology attempted in
17 the first few months of 1993 to have me jailed for contempt of
18 court based on the false declaration of a Scientologist lawyer,
19 Laurie Bartilson, for acts which Scientology itself set up.
20 This is only the most recent of over a decade of "dirty tricks"
21 which Scientology personnel have directed at me.

22 8. From my personal experience, I know that Scientology
23 does use the litigation approach described by Hubbard and
24 Kember in the quotes above. In various cases, Scientology has
25 subjected me to over 35 days of depositions. As a paralegal
26 working on cases involving Scientology for 16 months for Boston
27 attorney Michael Flynn and for almost two years for California
28 attorney Ford Greene (to the present), I have observed

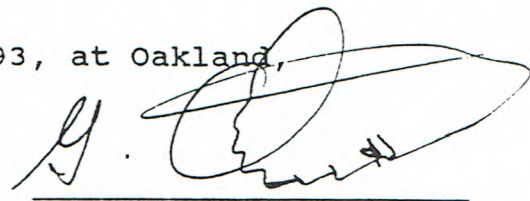
1 Scientology's litigation practices. Scientology regularly
2 attempts to bludgeon the opposition into submission with a
3 blizzard of meritless paper, motions, depositions, appeals,
4 writs, Bar complaints, criminal complaints, perjured testimony,
5 and other improper and abusive tactics.

6 9. I am also aware that Scientology uses an attack
7 strategy against judges who rule against it, which includes
8 claims of bias and prejudice and frequently personal attacks.
9 For instance, in my case, Church of Scientology of California
10 v. Armstrong, L.A. Superior Court No. C 420153, Scientology
11 twice tried unsuccessfully to disqualify Judge Breckenridge
12 from the case because of alleged bias, and levied personal
13 attacks on him, accusing him publicly of Nazi affiliation.
14 Similarly, in Aznaran v. Church of Scientology of California,
15 U.S.D.C. C.D.Cal # CV-88-1786-JMI, Scientology unsuccessfully
16 attempted to recuse Judge James Ideman because of alleged bias.

17 10. Attached to this declaration as Exhibit C is a true
18 copy of the June 20, 1984 decision by Judge Paul G.
19 Breckenridge, Jr., in the case of Church of Scientology of
20 California v. Gerald Armstrong, L.A. Superior Court No. C
21 420153, which was affirmed on appeal at 232 Cal.App.3d. 1060,
22 283 Cal.Rptr. 917 (1991).

23 I declare, under penalty of perjury, that the foregoing is
24 true and correct.

25 Executed this 4th day of June, 1993, at Oakland,
26 California.

27 
28 Gerald Armstrong

1 Ford Greene
California State Bar No. 107601
2 HUB LAW OFFICES
711 Sir Francis Drake Boulevard
3 San Anselmo, California 94960-1949
Telephone: (415) 258-0360

4 Attorney for Defendant
5 GERALD ARMSTRONG

6
7 SUPERIOR COURT OF THE STATE OF CALIFORNIA
8 FOR THE COUNTY OF LOS ANGELES

9 CHURCH OF SCIENTOLOGY)
INTERNATIONAL, a California)
10 not-for-profit religious)
corporation;)

11 Plaintiff,

12 vs.

13 GERALD ARMSTRONG; THE GERALD)
14 ARMSTRONG CORPORATION, a)
California corporation; DOES)
15 1-25, inclusive;)

16 Defendants.

Case No. BC 084 642

DECLARATION OF VICKI J. AZNARAN
IN SUPPORT OF DEFENDANT'S
SPECIAL MOTION TO STRIKE

Date: October 8, 1993
Time: 9:00 a.m.
Dept: 83

Discovery Cut Off: None
Motion Cut Off: None
Trial Date: None

17
18 VICKI J. AZNARAN declares:

19 1. My name is Vicki J. Aznaran. I am above the age of
20 eighteen years old, and am not a party to this lawsuit.

21 2. The facts and allegations herein contained are, save
22 when stated or appear to the contrary, within my own personal
23 knowledge and belief and if called upon to do so I could and would
24 testify to the same in open court.

25 3. I was a member of the Scientology organization from 1972
26 to 1987, and a member of Scientology's Sea Organization, or "Sea
27 Org," from 1978 to 1987. I held several executive positions
28 within the Sea Org, which has unlimited power over all other

1 junior Scientology organizations internationally.

2 4. From 1984 until 1987, I was Inspector General and
3 "President" of Religious Technology Center, or "RTC," a supposedly
4 separate Scientology corporation established to control all of
5 Scientology through its ownership of the subject's trademarks. In
6 truth, all of Scientology is one organization, its many
7 "corporations" are completely devoid of corporate integrity, and
8 all "corporations" and Scientology staff members are under the
9 command of one person. Until his death in 1986 this one person
10 was Scientology's founder L. Ron Hubbard. Following Mr. Hubbard's
11 death Scientology has been controlled and operated by David
12 Miscavige.

13 5. By virtue of my position in RTC, I was "in the loop" to
14 receive communications about some of Scientology's most secret
15 operations. I had numerous discussions and meetings with top
16 Scientology "intelligence" officials and other executives, and
17 read many documents which passed across my desk or came to my
18 computer. I was briefed on and sometimes a participant in meetings
19 involving litigation tactics and various means, including dirty
20 tricks, to attack and fight the organization's "enemies." Because
21 of my position and the regular reports that came across my desk I
22 know that throughout my presidency of RTC that Fair Game actions
23 against enemies were commonplace. In addition to the litigation
24 tactics described below, fair game activities included burglaries,
25 assaults, disruption of enemies' businesses, spying, harassive
26 investigations, abuse of confidential communications in members'
27 files and so on. As President of RTC and a Sea Organization
28 member, I attended meetings concerning the numerous legal actions

1 involving Scientology organizations. During this time period, I
2 had personal access to all legal documents having to do with RTC.
3 I received a report every day on my computer that included a
4 synopsis of each ongoing legal case involving Scientology. I
5 received, or I was told, copies of every major motion filed in
6 cases involving Scientology. I was on the "approval line" for
7 legal documents dealing with RTC. During this time period, I had
8 the option of attending legal meetings, although some were
9 mandatory. I attended many litigation meetings and became
10 generally aware of Scientology's dirty tricks and legal maneuvers.
11 At least in theory, I was the head of RTC and had access to any
12 business or litigation "secrets" of Scientology.

13 6. Enemies of Scientology are deemed to be "suppressive
14 persons," or "SPs." One becomes an SP by doing something the
15 organization's leaders consider a "suppressive act," such as suing
16 Scientology, either as a litigant or his or her lawyer. Anyone
17 "declared" a suppressive person may be tricked, cheated, lied to,
18 stolen from, sued or destroyed, without any discipline to the
19 Scientologist doing the trickery, cheating, lying, theft or
20 destruction. These acts are considered laudable within
21 Scientology in dealing with an SP. This policy and practice is
22 often referred to as "Fair Game," the name given it in the 1960's
23 by its originator, L. Ron Hubbard. Mr. Hubbard issued a later
24 policy directive, ordering that the term "Fair Game" no longer be
25 used because it caused public relations problems, but keeping
26 intact Scientology's treatment of SPs. The Fair Game policy was
27 never canceled, and even the term continued to appear within
28 organization orders and policy directives after its supposed

1 "cancellation." Scientology's labelled enemies are treated as
2 Fair Game.

3 7. Hubbard writings encourage Scientologists to pursue
4 litigation purely for harassment without regard to the merits of a
5 claim to cause enemies to fold. It is one of the stated policies
6 and practices of Scientology to use the legal system to abuse and
7 harass its enemies. This involves doing anything and everything
8 possible to harass the opposing litigant without regard to whether
9 any particular action, motion or maneuver is legal, appropriate or
10 warranted by the facts or applicable law. That policy was
11 followed in every legal case with which I was involved or learned
12 about while inside the organization. Scientology's management
13 consistently expressed and demonstrated a complete disdain for the
14 court system, viewing it as nothing more than a way of harassing
15 "enemies." One of the litigation practices of Scientology is to
16 never turn over information in discovery without first culling out
17 (deleting or destroying) material that will harm Scientology or
18 assist its opponents. I personally participated in that practice
19 as described below.

20 8. In 1986, in the case of Scientology vs. Gerald
21 Armstrong, Los Angeles Superior Court No. C 420153, Judge Paul G.
22 Breckenridge, Jr. ordered the production of Mr. Armstrong's
23 auditing files (also called "pre-clear" or "pc" files or folders).
24 These are files maintained by the organization on those
25 individuals who submit to interrogation sessions in Scientology's
26 "psychotherapy" process called auditing. During the course of
27 that litigation I was instructed to go through Mr. Armstrong's pc
28 folders and destroy or conceal anything that might be damaging to

1 Scientology or helpful to Armstrong's case. As ordered I went
2 through the files and destroyed contents that might support Mr.
3 Armstrong's claims against Scientology. This pc folder culling,
4 as it is known inside Scientology, took place at 4751 Fountain
5 Avenue in Los Angeles, California and I was assisted by then
6 Scientologist Jesse Prince.

7 9. Contrary to Scientology's representations that auditing
8 files are kept confidential between the preclear and his auditor,
9 preclear folder contents are available to and viewed by the
10 organization's "ethics" and intelligence personnel and any senior
11 executive. The preclear's "confidential" statements made in
12 auditing were routinely used to control him or her, for their
13 intelligence value and for blackmail. In addition to culling
14 preclear folders in anticipation of their production in
15 litigation, they are culled for embarrassing information, crimes,
16 sexual history, incidents of all kinds and connections for
17 intelligence purposes and ultimately for intelligence operations
18 against the organization's perceived enemies.

19 10. Scientologists are expected to lie in their oral or
20 written sworn statements, and they are trained and drilled to do
21 so. This is an acceptable practice in Scientology because the
22 litigation "enemies," about whom the sworn testimony concerns, are
23 "SPs" and "Fair Game."

24 11. Additional Fair Game activities of which I was aware
25 undertaken by Scientology against Armstrong included, but were not
26 limited to, constant surveillance by private investigators,
27 attempting to break up his marriage, stealing documents from his
28 car, and attempting manufacture evidence against him by setting

1 him up to be charged with an effort to infiltrate and take over
2 Scientology in allegedly assisting the I.R.S. in planting false
3 documents within Scientology.

4 12. I was also aware of Fair Game activities that
5 Scientology perpetrated against Michael Flynn, who was Armstrong's
6 counsel. Said activities included, but were not limited to, the
7 infiltration of Flynn's offices by Scientology operatives, theft
8 of attorney-client and attorney work product documents from
9 Flynn's office and office garbage, the filing of bar complaints
10 and lawsuits against Flynn which had no merit, the filing of
11 motions which had no merit, and personal harassment against Flynn
12 and his family which included placing water in the gas tank of
13 Flynn's airplane and an attempt to frame him and have him jailed
14 for forging a check from one of L. Ron Hubbard's bank accounts in
15 the amount of \$2,000.000.00 by using its chief private
16 investigator, Eugene Ingram, to obtain a false declaration from
17 one Ala Tamini.

18 13. The purpose of perpetrating such Fair Game activities
19 against Armstrong's counsel, Michael Flynn, was to force him to
20 cease representation of Armstrong and others against Scientology.

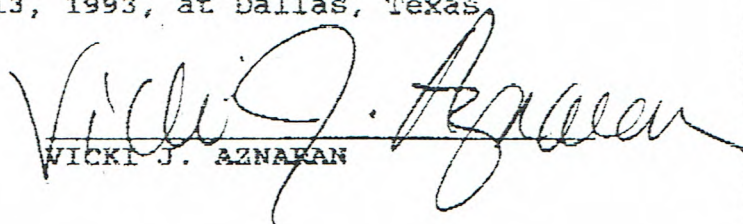
21 14. When that tactic failed, Scientology offered Flynn a
22 large block of money, \$3-5 million, to use to settle all of the
23 cases wherein he represented persons suing Scientology. Flynn was
24 told that he would have to make the cases "go away" with the money
25 that he was given. One of those cases was the case wherein he
26 represented Gerald Armstrong entitled Church of Scientology of
27 California v. Armstrong, Los Angeles Superior Court Action No. C
28 420153. Scientology ultimately lost its case against Armstrong in

1 a court trial before Judge Breckenridge and was very frightened of
2 Armstrong's cross-complaint against it. This case was ultimately
3 settled along with a mass of other cases wherein Flynn was
4 plaintiffs' counsel. Armstrong was required to sign a settlement
5 agreement wherein he promised not to talk, write or otherwise
6 communicate his knowledge of Scientology, to avoid participation
7 in litigation involving Scientology including avoiding service of
8 process, not oppose Scientology's appeal of Judge Breckenridge's
9 decision and to assist Scientology in its effort to obtain
10 evidence from the federal government regarding Mission Corporate
11 Category Sort-Out (an action involving litigation of the crime-
12 fraud exception to the attorney-client privilege). The purpose of
13 the settlement contract with Armstrong and the others was to
14 suppress evidence of Scientology's systematic practices of
15 criminal and civil wrongdoing.

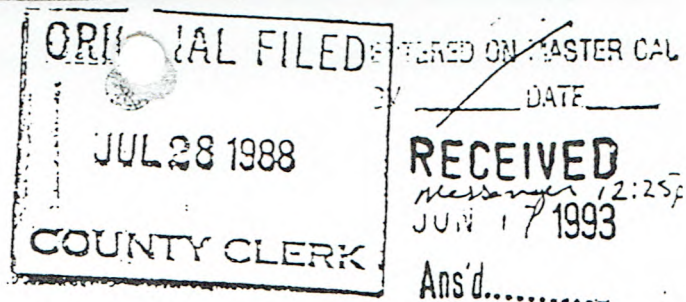
16 15. I am aware that my faxed signature will be appended to
17 this document and authorize the use of the same.

18 I hereby declare under penalty of perjury pursuant to the
19 laws of the State of California that the foregoing is true and
20 correct.

21 Executed on September 13, 1993, at Dallas, Texas

22
23 
24 WICKI J. AZNARAN
25
26
27
28

1 MUSICK, PEELER & GARRETT
2 A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
3 ONE WILSHIRE BOULEVARD
4 LOS ANGELES, CALIFORNIA 90017
5 TELEPHONE (213) 629-7600
6 Larry C. Hart
7 Eric L. Troff
8 Francine Y. McNiel



5 Attorneys for Defendants
6 JOSEPH A. YANNY, JOSEPH A.
7 YANNY, P.C., HERZIG & YANNY,
8 RICHARD WYNNE, LISA WILSKE AND
9 MARY GRIECO

10 SUPERIOR COURT FOR THE STATE OF CALIFORNIA
11 COUNTY OF LOS ANGELES

12 RELIGIOUS TECHNOLOGY CENTER,)
13 a California Non-Profit Reli-)
14 gious Corporation, CHURCH OF)
15 SCIENTOLOGY INTERNATIONAL, a)
16 California Non-Profit Reli-)
17 gious Corporation, CHURCH OF)
18 SCIENTOLOGY OF CALIFORNIA, a)
19 California Non-Profit Reli-)
20 gious Corporation,)

21 Plaintiffs,)

22 vs.)

23 JOSEPH A. YANNY, an indivi-)
24 dual, JOSEPH A. YANNY, a pro-)
25 fessional law corporation;)
26 HERZIG & YANNY, a partnership;)
27 RICHARD WYNNE; KAREN McRAE;)
28 LISA WILSKE; MARY GRIECO; and)
DOES 1 through 20, inclusive,)

Defendants.)

CASE NO. C 690 211

NOTICE OF MOTION AND MOTION
TO STRIKE PORTIONS OF
COMPLAINT; MEMORANDUM OF
POINTS AND AUTHORITIES IN
SUPPORT THEREOF (to be
heard concurrently with
Demurrer)

Date: August 18, 1988
Time: 9:00 a.m.
Dept: 41

TO ALL PARTIES AND TO THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on August 18, 1988, at 9:00
a.m., or as soon thereafter as the matter can be heard in

1 Department 1 of the above-entitled Court, located at 111
2 North Hill Street, Los Angeles, California, Defendants will
3 move this Court to strike the following allegations of Plain-
4 tiffs' Complaint on file herein:

5
6 1. Page 2, paragraph 1, lines 2 through 10: "This
7 action arises directly from the treachery of plaintiffs'
8 former attorney, who has joined forces with confederates to
9 mastermind and prosecute an action against his former clients.
10 What follows is a chronicle of betrayal, deception, and
11 conspiracy practiced by members of the Bar as a vendetta
12 against a former client, and callous disregard of fiduciary
13 and ethical obligations. Due to the conspiratorial nature of
14 the acts alleged herein and Defendants efforts to conceal
15 these acts,"

16
17 2. Page 4, paragraph 8, line 21: "unlawful."

18
19 3. Page 7, paragraph 16, in its entirety.

20
21 4. Page 8, paragraph 17, line 5: "apostates."

22
23 5. Page 8, paragraph 18, in its entirety.

24
25 6. Page 8, paragraph 19, lines 15 through 16:
26 "based upon the occurrences set forth in the preceeding
27 paragraphs."

28 ///

8. Pages 9-10, paragraphs 21 through 23, in their entirety.

9. Page 10, paragraph 24, line 9: "fraudulent."

10. Page 10, paragraph 24, lines 14 through 15: "in such a dishonest fashion with the intent of defrauding Plaintiffs."

11. Page 10, line 20: "THE BETRAYAL OF THE ATTORNEY-CLIENT RELATIONSHIP."

12. Page 10, paragraph 26, lines 21 through 27, and continuing on page 11, lines 1 through 5 of the same paragraph. The Motion to Strike refers to the underlined portions of the quoted material: "In or about March 1988, and in all likelihood prior to that time," Yanny embarked upon a course of conduct whereby he affirmatively determined to ignore his fiduciary and ethical obligations to RTC, CSI, and CSC and he affirmatively determined to counsel, advise, plan, draft, even prosecute actions on behalf of others against RTC, CSI, and CSC. In aid and support of his scheme, Yanny joined with ... with the express purpose of damaging or destroying his former clients, RTC, CSI and CSC."

///

///

1 Page 11, paragraph 27, line 7: "clandestine."

2

3 14. Page 11, paragraph 28, lines 21 through 25:
4 "in furtherance of the scheme referenced in paragraph 26, Yanny
5 ... otherwise compromised his obligations as Plaintiffs'
6 attorney."

7

8 15. Page 12, paragraph 28(e), line 17: "and
9 perhaps others."

10

11 16. Page 12, paragraph 29, lines 18 through 24:
12 "In or about late March 1988, Yanny was advised by the ethics
13 hotline of the State Bar of California and by other partners
14 of Herzig & Yanny that Herzig & Yanny should not participate
15 as ccounsel for the Aznarans in the preparation, filing, or
16 maintenance of Aznaran vs. CSC. Yanny, in concert with the
17 ..., and perhaps others."

18

19 17. Page 13, paragraph 30, lines 1 through 2: "and
20 perhaps others."

21

22 18. Page 14, paragraph 34(a), line 7: "with the
23 assistance of Vicki Aznaran."

24

25 19. Page 15, paragraph 37, in its entirety.

26

27 20. Page 16, paragraph 40(a), line 4: "with the
28 assistance of Vick Aznaran."

1 21. Page 17, paragraph 44, lines 21 through 22:
2 "for which Plaintiffs' paid substantial compensation."
3

4 22. Page 18, paragraph 45, lines 24 through 25:
5 "sought to exploit the confidences and privileged information
6 obtained from its former client."
7

8 23. Page 19, paragraph 46, lines 1 through 3: "and
9 all likelihood prior to that time, Defendants ... wrongfully
10 and tortiously."
11

12 24. Page 19, paragraph 46(a), line 11: "with the
13 assistance of Vicki Aznaran."
14

15 25. Page 20, paragraph 47, line 3: "This bad faith
16 breach by Defendants."
17

18 26. Page 20, paragraph 49, in its entirety.
19

20 27. Page 21, paragraph 53, lines 22 through 23:
21 "except for some unreasonable charges discovered before pay-
22 ment."
23

24 28. Pages 21 through 22, paragraph 55, in its
25 entirety.
26

27 29. Page 22, paragraph 59, line 27: "and others."
28

///
28

1 30. Page 23, paragraph 60, line 6: "and perhaps
2 others."

3
4 31. Page 24, paragraph 65, line 16: "also sought
5 to suborn perjury."

6
7 32. Page 24, paragraph 66, line 21: "fraudulent."

8
9 33. Page 24, paragraph 67, in its entirety.

10
11 34. Page 26, paragraph 72, in its entirety.

12
13 35. Page 26, paragraph 75, lines 23 through 25:
14 "With the express purpose of damaging and destroying Yanny's
15 formerly clients... Defendants have unlawfully"

16
17 36. Page 27, paragraph 78, in its entirety.

18
19 37. Page 28, paragraph 81, line 10: "wrongfully."

20
21 38. Page 28, paragraph 83, line 20: "unlawfully
22 and wrongfully."

23
24 39. Page 28, paragraph 85, line 28: "unlawfully."

25
26 40. Page 29, paragraph 86, line 6: "unlawfully."

27 ///

28 ///

1 Page 30, lines 24 through 25: "for punitive
2 damages and a sum to be determined at trial."

3
4 42. Page 31, line 19: "for punitive damages and a
5 sum to be determined at trial."

6
7 43. Page 31, line 23: "for punitive damages and a
8 sum to be determined at trial."

9
10 44. Page 31, line 28: "for punitive damages and a
11 sum to be determined at trial."

12
13 45. Page 32, lines 14 through 15: "for punitive
14 damages and a sum to be determined at trial."

15
16 46. Page 33, lines 9 through 10: "for punitive
17 damages and a sum to be determined at trial."

18
19 47. Page 33, lines 14 through 15: "for punitive
20 damages and a sum to be determined at trial."

21
22 48. Page 33, lines 23 through 24: "return RTC's
23 \$150,000 retainer."

24
25 This Motion will be made on the grounds that:

26 ///

27 ///

28 ///

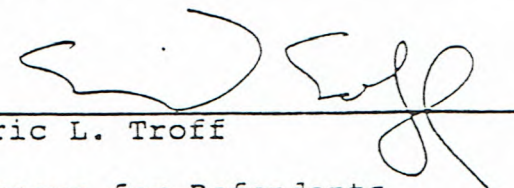
1 Plaintiffs have failed to allege facts
2 sufficient to entitle them to such relief [Civil Code § 3294
3 and Code of Civil Procedure § 435].
4

5 2. Irrelevant and redundant matter inserted in a
6 pleading may be stricken out upon such terms as this Court
7 may, in its discretion, impose. [Code of Civil Procedure
8 §§ 435 and 436].
9

10 3. This Motion will be based on this Notice, the
11 Memorandum of Points and Authorities attached hereto, the
12 applicable provisions of the Civil Code and the Code of Civil
13 Procedure, all pleadings and papers on file herein, and upon
14 such oral and documentary evidence as may be submitted at the
15 time of the hearing hereon. This Motion is further based upon
16 the Demurrer to Complaint and attached Points and Authorities
17 which is to be heard concurrently herewith.
18

19 Dated: July 29, 1988

MUSICK, PEELER & GARRETT
Larry C. Hart
Eric L. Troff
Francine Y. McNiel

22 By 
23 Eric L. Troff

24 Attorneys for Defendants
25 JOSEPH A. YANNY, JOSEPH A.
26 YANNY, P.C., HERZIG & YANNY,
27 RICHARD WYNNE, LISA WILSKE AND
28 MARY GRIECO

1. INTRODUCTION

This Court is respectfully referred to the Notice of Hearing on Demurrer and Demurrer to Complaint for a more detailed discussion of the facts of this action. For the purpose of the instant Motion, it is enough to state that Plaintiffs have sued their former attorneys for, inter alia, alleged malpractice. Plaintiffs have alleged nine causes of action in their Complaint, which are: 1) Breach of Fiduciary Duty; 2) Breach of Contract; 3) Tortious Breach of Implied Covenant of Good Faith and Fair Dealing; 4) Fraud; 5) Constructive Fraud; 6) Fraud; 7) Intentional Interference with Contract; 8) Civil Conspiracy; and 9) Conversion.

Plaintiffs have requested punitive and exemplary damages on all causes of action save for the causes of action for Construction Fraud and Conversion.

These causes of action are replete with inflammatory, irrelevant and conclusory language. Accordingly, it is proper for this Court to strike those portions of Plaintiffs' Complaint as enumerated above.

///

///

///

///

1 However, Defendants will demonstrate that
2 Plaintiffs cannot recover punitive damages based on the
3 allegations in their Complaint. This is particularly obvious
4 with reference to their Second Cause of Action for Breach of
5 Contract. It is elementary that such damages are not
6 recoverable for breach of contract. In addition to this most
7 obvious disregard of the language of Section 3294 of the Civil
8 Code, Plaintiffs have further disregarded Section 3294 by
9 failing to allege specific facts of oppression, fraud or
10 malice in support of their requests for an award of punitive
11 damages.

12
13 2. IRRELEVANT AND REDUNDANT MATTER MAY BE STRICKEN FROM A
14 COMPLAINT.

15
16 California Code of Civil Procedure § 436 states:

17
18 "The court may, upon a motion made
19 pursuant to Section 435, or at anytime
20 in its discretion and upon such terms as
21 it deems proper: a) strike out any
22 irrelevant, false, or improper matter
23 inserted in any pleading."

24
25 Plaintiffs' Complaint abounds in irrelevant and
26 improper matter. For example, the very first paragraph of
27 Plaintiffs' Complaint, which has been previously quoted in the
28 Motion to Strike, contains allegations which have absolutely

1 no factual relevance to Plaintiffs' claims and appears to be
2 inserted solely for inflammatory and prejudicial reasons.
3 Similar rhetoric is interspersed throughout the Complaint. An
4 example is Plaintiffs' use of the word "apostate" to describe
5 parties involved in lawsuits with Plaintiffs. Clearly, such
6 name-calling is improper. As stated in Stafford v. Schultz,
7 42 Cal. 2d 757, 782 (1954): "[m]atter in a pleading which is
8 not essential to the claim is surplusage. Probative facts are
9 surplusage and can be stricken out or disregarded."
10 Accordingly, this language should be stricken from the
11 Complaint.
12

13 The same argument applies to paragraphs 16, 18, 21,
14 22 and 23 of Plaintiffs' Complaint. The surplusage contained
15 in these paragraphs is not a necessary element to any of
16 Plaintiffs' causes of action. Similarly, the history and
17 purpose of Religious Technology Center ("RTC"), set forth in
18 paragraph 16, are of no moment to the instant case for alleged
19 attorney malpractice.
20

21 Likewise, the background of former minister Bent
22 Corydon ("Corydon") and the reasons for a lawsuit against him
23 (described in paragraph 18 of the Complaint) have no relevance
24 herein, since Corydon is not a party to this action.

25 ///

26 ///

27 ///

28 ///

1 the same reason, paragraphs 21 through 23 of the
2 Complaint are also irrelevant, since Plaintiffs allege
3 improper actions committed by Vicki Aznaran ("Aznaran"), but
4 have not named Aznaran as a party to this lawsuit.

5
6 Plaintiffs' cause of action against all Defendants
7 for Civil Conspiracy should also be stricken from their
8 Complaint. In this cause of action, Plaintiffs refer back to
9 previously alleged causes of action for interference with
10 contractual rights and breach of fiduciary relationship.
11 Nevertheless, as the California Court of Appeal stated in
12 Zumbrun vs. University of Southern California, 25 Cal. App. 3d
13 1, 12 (1972), "[n]o cause of action exists for conspiracy
14 itself; the pleaded facts must show something which without
15 the conspiracy, would give rise to a cause of action."

16
17 Here, as Plaintiffs' Cause of Action for Civil
18 Conspiracy apparently refers to two previously plead causes of
19 action, and does not add any new cause of action or new
20 allegations, the cause of action is redundant. (The Court is
21 also referred to the Demurrer filed concurrently herewith for
22 further discussion of the inadequacies of Plaintiffs' Cause of
23 Action for Civil Conspiracy.)

24
25 3. CONCLUSIONS OF LAW MAY BE STRICKEN FROM A PLEADING.

26
27 California courts have long held that conclusions of
28 law may be stricken from an opposing party's pleading.

1 Whatever words are found in the plead-
2 ing (such, for instance, as 'carelessly,
3 negligently, willfully, wrongfully, and
4 in fraud of the rights of these plain-
5 tiffs') going to state the pleader's
6 conclusions, may be disregarded. A mo-
7 tion to strike out would be the pro-
8 per way to seek their elimination."

9
10 Smithson vs. Sparber, 123 Cal. App. 225, 232 (1932).

11
12 Words such as "unlawfully," "wrongfully" or
13 "maliciously" are but conclusions of law, and are mere
14 epithets that are valueless for the purpose of pleading.
15 Faulkner vs. California Toll Bridge Authority, 40 Cal. 2d 317,
16 329 (1953); St. Clair vs. San Francisco and San Jose Valley
17 Railroad Company, 142 Cal. 657 (1904). As the court pointed
18 out in Lavine vs. Jessup, 161 Cal. App. 2d 59, 69 (1958):

19
20 "Mere general assertions by way of con-
21 clusion or those indefinite in charac-
22 ter, such as here presented, cannot be
23 deemed sufficient compliance with the
24 long established rules of pleading.
25 'The same may be said with respect to
26 the employment of such terms as fraud,
27 misrepresentation, bad faith, oppres-
28 sion, malice and the like...'"

1 authorities cited above make it clear that
2 several statements designated in the instant Motion to Strike
3 are mere conclusions of law which can be stricken from the
4 Complaint under § 436. (See Motion to Strike, items 2, 9, 12,
5 23, 24, 26, 32, 33, 38, 39, 40 and 41 for conclusory
6 assertions by Plaintiffs.)

7
8 4. INSUFFICIENT FACTS ARE ALLEGED TO SUPPORT A
9 CLAIM FOR PUNITIVE DAMAGES.

10
11 Plaintiffs' conclusory averments are most clearly
12 demonstrated in the allegations regarding punitive damages.
13 Plaintiffs' merely parrot the language of Civil Code § 3294,
14 and in no way explain why they are entitled to exemplary
15 damages from these Defendants. Boilerplate allegations will
16 not withstand scrutiny. Plaintiffs must allege ultimate facts
17 which, if proved, show that these Defendants acted with
18 oppression, fraud or malice. Unless Plaintiffs allege such
19 oppression, fraud or malice in a factual manner, recovery of
20 punitive damages cannot be sought. G.D. Searle & Co. v. Super-
21 rior Ct., 49 Cal. App. 3d 22, 29 (1975). Plaintiffs have made
22 no factual showing in their Complaint which would entitle them
23 to an award of punitive damages against Defendants.

24
25 Furthermore, it is undisputed under California law
26 that punitive damages cannot be awarded unless actual damages
27 are suffered in a viable cause of action. Mother Cobb's etc.
28 Turnovers vs. Fox, 10 Cal. 2d 203, 205 (1937). As indicated

1 in the accompanying Demurrer, Plaintiffs' causes of action
2 fail to state facts sufficient to constitute a cause of action
3 and are uncertain. Accordingly, absent the existence of a
4 viable cause of action with actual damages, punitive damages
5 are not recoverable under any cause of action in Plaintiffs'
6 Complaint.

7 Finally, as previously noted, punitive damages are
8 not recoverable on a contract cause of action. California
9 Civil Code § 3294 excludes punitive damages from contract
10 actions:

11
12 "a) In an action for the breach of an
13 obligation not arising from contract,
14 where it is proven by clear and convinc-
15 ing evidence that the defendant has been
16 guilty of oppression, fraud, or malice,
17 the plaintiff, in addition to the actual
18 damages, may recover damages for the
19 sake of example and by way of punishing
20 the defendant." [Emphasis Added.]
21

22 Thus, Plaintiffs are not entitled to seek punitive damages in
23 their Second Cause of Action for Breach of Contract.
24

25 5. CONCLUSION
26

27 For all the foregoing reasons, these Defendants
28 respectfully requests that this Court strike the allegations

1 of Plaintiffs' Complaint relating to punitive and exemplary
2 damages and the corresponding portions of the Prayer for
3 Relief, and all other irrelevant and redundant material as set
4 forth above.

5
6 Dated: July 29, 1988

MUSICK, PEELER & GARRETT
Larry C. Hart
Eric L. Troff
Francine Y. McNiel

7
8
9
10 By 

Eric L. Troff

11 Attorneys for Defendants
12 JOSEPH A. YANNY, JOSEPH A.
13 YANNY, P.C., HERZIG & YANNY,
14 RICHARD WYNNE, LISA WILSKE
15 AND MARY GRIECO
16
17
18
19
20
21
22
23
24
25
26
27
28

DECLARATION OF JOSEPH A. YANNY

I, JOSEPH A. YANNY, having personal knowledge of the following hereby declare and state that:

1. I am an attorney at law, duly admitted to practice before the United States Supreme Court, the Supreme Courts of the States of California and Illinois, and numerous other federal courts and administrative agencies. This is the tenth year of my admission to practice law. I am the sole shareholder of the entity known as Joseph A. Yanny, a Professional Corporation, which does business as Herzig & Yanny.

2. I have from time to time, represented the Plaintiffs herein (hereinafter collectively referred to as the "Cult") over the course of several years. My Corporation and I are Defendants herein, along with several of my associates. The Cult asks for equity, but their hands are unclean.

3. One of the basic beliefs of the Cult is the much written about "FAIR GAME" policy which states that an "ENEMY" of Scientology:

May be deprived of property or injured
by any means by any Scientologist
without any discipline of the Scientologist.
May be tricked, sued or lied to
or destroyed.

A true and correct copy of which is submitted as exhibit A.

4. The Corollary to this "Fair Game" Doctrine is the "Religious Practice" set forth in the Cults' "Scripture" known

1 as the "level 0 checksheet" (a true and correct copy which is
2 submitted as Exhibit 1) and provides at the page marked as 55:

3 The purpose of the suit is to harass and
4 discourage rather than to win. The law can
5 be used very easily to harass and enough
6 harassment on somebody who is simply on the
7 thin edge anyway, well knowing that he is not
8 authorized, will generally be sufficient to
9 cause his professional decease. If possible,
10 of course, ruin him utterly.

11 (emphasis added)

12 That is the purpose of this suit against myself, my firm and my
13 associates. The Cult is so anxious to abuse process that it
14 claims it needs expedited discovery, a special dispensation from
15 the Rules of Discovery intended to allow a Defendant sufficient
16 time to secure and brief counsel.

17 5. The "Fair Game" doctrine has been discussed at length
18 in numerous litigations including the one entitled U.S. v.
19 Hubbard reported at 474 F. 2d 64 (D.C .D.C. 1979), its pre-
20 decessors and its progeny. See e.g., 572 F. 2d 321, 591 F. 2d
21 533, 650 F. 2d 293, 668 F. 2d 1238, 436 F. Supp. 689, 529 F.
22 Supp. 945. In that case, top executives of the Cult were
23 eventually convicted of crimes including theft of U.S.
24 Government documents, obstruction of justice, and other "fair
25 game" related activities against the Government of the U.S., a
26 known "ENEMY" of the Cult. See Exhibit 25 and 27 submitted
27 herewith i.e. Sentencing Memorandum and Stipulation of Evidence.
28

1 6. As late as 1984, Judge Breckenridge of this Honorable
2 Court, wrote an opinion finding that the infamous "fair game"
3 doctrine was still in full force and effect, barring equitable
4 relief against the defendant in that case, Mr. Gerald Armstrong,
5 who had actually stolen documents from the Cult. A true and
6 correct copy of the decision in the case of Hubbard v. Armstrong
7 is submitted herewith as Exhibit B.

8 As Judge Breckenridge stated at page 8 of that opinion:

9 In 1970 a police agency of the French Govern-
10 ment conducted an investigation into Scien-
11 tology and concluded, "this sect, under the
12 pretext of 'freeing humans' is nothing in
13 reality but a vast enterprise to extract the
14 maximum amount of money from its adepts by
15 (use of) pseudo-scientific theories, by (use
16 of) 'auditions' and 'stage settings' (lit. to
17 create a theatrical scene) pushed to extremes
18 (a machine to detect lies, its own particular
19 phraseology . . .), to estrange adepts from
20 their families and to exercise a kind of
21 blackmail against persons who do not wish to
22 continue with this sect."2 From the evidence
23 presented to this court in 1984, at the very
24 least, similar conclusions can be drawn. In
25 addition to violating and abusing its own
26 members civil rights, the organization over
27 the years with its "Fair Game" doctrine has
28 harassed and abused those persons not in the

10

1 Church whom it perceives as enemies. The
2 organization clearly is schizophrenic and
3 paranoid, and this bizarre combination seems
4 to be a reflection of its founder LRH.

5 Judicial Notice thereof is requested.

6 7. I would call the Court's attention to the doctrine of
7 collateral estoppel, best stated by the U.S. Supreme Court in
8 the case of University of Illinois v. Blonder-Tongue Labora-
9 tories, 402 U.S. 313, 28 L. Ed. 2d 788, 91 S. Ct. 1434 (1971).

10 I could cite California and Federal authority for the proposi-
11 tion that once a policy such as "Fair Game" is established, the
12 burden shifts to the Cult to establish "a change in circum-
13 stance." However, I do not have the research on the subject nor
14 my notes and copies of cases thereto (they are locked in this
15 Court's jury room.)

16 8. The Court should also see the case of Allard v. Church
17 of Scientology of California, 129 Cal. Rptr. 797 (2nd Dist.
18 1976), submitted as exhibit 5 herewith, and the full text of the
19 Stipulation of Evidence in the case of United States v. Hubbard,
20 which sets fourth the various "Religious" practices of the Cult
21 as including:

22 III. The conspiracy to intercept oral commu-
23 nications, Burglarize and steal and the
24 substantive acts committed pursuant thereto.

25 IV. The conspiracy to Obstruct Justice, to
26 obstruct an investigation, to harbor a
27 fugitive and to make false declarations
28 before the grand jury.

1 9. Submitted herewith a collection of exhibits which
2 consist mostly of pleadings, evidence, exhibits, and judges'
3 opinions in legal cases, with the only exceptions being No. 15,
4 a magazine article, and No. 12, complaints filed with the
5 Massachusetts Board of Bar Oversees by the Cult.

6 These materials are offered to show the chronic nation-
7 wide contempt which the Cult has shown for all judicial process.
8 These materials clearly demonstrate that the Cult, according to
9 written policy, will use any means legal or illegal to subvert
10 and frustrate judicial process against them, and will willingly
11 and knowingly abuse judicial process in order to attack per-
12 ceived "enemies". The victims of these attacks include lawyers,
13 judges, witnesses, and party defendants.

14 10. The following is a brief characterization of each of
15 the included documents. True and correct copies of the exhibits
16 are submitted herewith to wit:

17 Exhibit 1. Purpose of a Lawsuit. This exhibit includes
18 two items. The first is a magazine article written by L. Ron
19 Hubbard, the founder of Scientology, describing how to use a
20 lawsuit to harass opponents (see page 55). The second is an
21 internal Scientology document, that was part of the court record
22 in United States v. Mary Sue Hubbard, Cr.No. 78-401 (D.Ct.,
23 D.C.).

24 It states that the object of litigation with the I.R.S. is
25 delay.

26 Exhibit 2. "Freedom of Speech Includes Freedom to Malign".
27 This document, written by Jane Kember, includes a blunt des-
28 cription of how knowingly frivolous lawsuits can be used to

1 drive publishers into submission. Kember states that since in
2 the U.S. a person who loses a lawsuit is not required to pay the
3 opponent's cost, frivolous suits are an effective means of
4 imposing unbearable financial burdens on publishers and thereby
5 suppressing publication of materials on Scientology.

6 Exhibit 3 - 9 Various cases which the Cult lost including
7 findings of frivolousness with the award of sanctions.

8 Exhibit 10. Readers Digest Case. The Cult attempted to
9 enjoin the publication of a Readers Digest article in Denmark.
10 The Court held that the suit was without merit and ordered the
11 Cult to pay the Readers Digest Dkr. 2000.

12 Exhibit 11. Lawsuits Against Attorneys Michael Flynn and
13 Thomas Hoffman. Attorneys Flynn and Hoffman represented plain-
14 tiffs who were suing the Cult. The Cult has sued the attorneys
15 and their employees. This exhibit includes the cover sheets of
16 the suits and two court orders dismissing the suits.

17 Exhibit 12. Frivolous Bar Complaints. The exhibit
18 includes cover sheets of frivolous bar complaints against
19 attorneys representing plaintiffs who are suing the Cult.

20 Exhibit 13. Church of Scientology v. Cooper. In this
21 opinion, Federal Judge Hauck describes an incident in which a
22 Cult member was found wandering around in a security area in the
23 Los Angeles Federal Courthouse.

24 Exhibit 14. Motion to Disqualify. Self-explanatory.

25 Exhibit 15. Article From "American Lawyer". Describes a
26 number of covert operations against judges who were sitting on
27 Cult cases.

28

101

1 Exhibit 16. Investigations of Judges. The three parts of
2 this exhibit describe Cult operations to investigate the per-
3 sonal backgrounds and families of judges deliberating in Scien-
4 tology cases. These exhibits are internal Cult documents seized
5 by the F.B.I. from Cult headquarters in 1977 and were part of
6 the court record in United States v. Mary Sue Hubbard, supra.

7 Exhibit 17. Affidavit Regarding Infiltration. This
8 affidavit of Dennis Quilligan describes the efforts of a Cult
9 lawyer to infiltrate the State's Attorneys office and his
10 successful infiltration of the lawfirm, representing Mayor
11 Cazares, who was then being sued by the Cult.

12 Exhibit 18. Unsigned Stipulation of Evidence. This
13 lengthy document was the agreed basis for the conviction of the
14 Church's top leaders in Federal Court in Washington, D.C. It
15 includes a variety of criminal actions committed by the Scien-
16 tologists, including obstruction of justice.

17 Exhibit 19. Instructions on How to Lie. An internal Cult
18 document containing instructions on how to lie effectively.

19 Exhibit 20. Instructions on How To Steal Documents. This
20 appalling document is self explanatory. It was seized in the
21 F.B.I. raid. The second part of the exhibit shows full know-
22 ledge by Cult officials of ongoing burglaries.

23 Exhibit 21. More Instructions. Self-explanatory.

24 Exhibit 22. "Bulldozer Leak". This document describes an
25 operation to frustrate service of legal process by fraudulent
26 means. This document was seized in the F.B.I. raid.

1 Exhibit 23. Project Quaker. This document describes an
2 operation to obstruct justice by concealing witnesses. Also
3 taken in the F.B.I. raid

4 Exhibit 24. Early Warning System. A scheme to frustrate
5 legal process by fraudulent and criminal means. This document
6 was also taken in the F.B.I. raid.

7 Exhibit 25. Scientology Memorandum. This is a lucid
8 description of the scope of criminal and tortious activities and
9 abuse of the judicial system by the Scientologists.

10 Exhibit 26. List of Scientology Lawsuits. This exhibit
11 is a partial list of lawsuits brought by the Cult, intended to
12 show the extreme litigiousness of the cult.

13 Exhibit 27. The Signed Stipulation referred to in
14 Exhibit 18.

15 11. I have personal knowledge of the fact that while the
16 Cult claims in the verified complaint, to be religious, this
17 Cult claims to be religious only within those jurisdictions
18 where it is expedient to be so, e.g. the U.S. where there is a
19 tax exempt status for such activities and a first amendment to
20 hide behind when tortious and criminal activity must be
21 defended. However, I have personal knowledge that in such
22 places as Israel and many parts of Latin America, where it is
23 not expedient to be a religious organization, (because of a
24 state religion and a prohibition against ownership of property
25 by Religious organizations, Respectively,) "The Cult" claims to
26 be a philosophical Society. I also have personal knowledge of
27 documents which can prove these facts, which documents are in
28 the possession of Thomas Small, Esq. of the firm of McDonald &

1 Halstead, and Cult member such as Alan Cartright and a young
2 lady named "Kirsten" (pronounced-Sher Ston).

3 12. The Court should also be aware of the verdict in two
4 recent cases, to wit:

- 5 1) Christofersin (Titchbourne) v. CSC,
6 Hubbard et al., Portland, Oregon decided in
7 1985 (Case citation in Court's Jury room) (in
8 which a jury awarded Mrs. Titchbourne \$39
9 million dollars as a result of the "Fair
10 Game" "Religious" practices directed at her);
11 and the case of 2) Wollersheim v. C.S.C. in
12 LA Superior Court before the Honorable Ronald
13 Swearinger (citation in Courts Jury Room) (in
14 which the jury awarded Mr. Wollersheim \$30
15 million as a result of the "Fair Game"
16 "Religious" Practices directed at him)

17 13. Since the outbreak of hostilities between the Aznarans
18 and the Cult, there is additional evidence of continued applica-
19 tion of the "Fair Game Doctrine" present in the instant case, to
20 wit:

- 21 1) Ms. Karen McRae, one of my alleged
22 co-conspirators herein, after having been
23 visited upon by various attorneys for the
24 Cult (including two phone calls from: Earle
25 Cooley, Esq. and one visit in Dallas, Texas,
26 by a female attorney from a D.C. firm repre-
27 senting the Cult), was severely beaten by two
28 unknown assailants in Dallas, Texas;

1 2) Rick Aznaran, while under surveillance
2 by agents of the Cult, was the object of a
3 hit and run accident in the State of Texas;

4 3) This past week, Ms. Wilske, my fiance,
5 was the object of an auto accident involving
6 collision of the front and the rear of her
7 vehicle, totally disabling it and injuring
8 her;

9 4) I, on Sunday June 26, 1988, at about
10 5:00 p.m. was stopped by no less than four
11 local police cars, in the City of Bellaire,
12 Ohio. The police called me by name and
13 informed me that they had information that I
14 was in possession of firearms and cocaine
15 (the very same allegations made by the Cult
16 in this case.) I was informed by the police
17 that I had two options i.e. to allow my car
18 to be searched or be arrested on the spot.
19 Needless to say, I permitted the car my
20 person and the person of my relative to be
21 searched. Nothing was found. The next day,
22 Monday the 27th of June, the occupants of two
23 out-of-state cars having Pennsylvania plates,
24 were questioned by local officials. The
25 occupants, stated that they had had me under
26 surveillance since Saturday, June 25, 1988
27 (before the search by the police), and that
28 they had been hired by a Washington D.C. firm

1 (who represents the Cult) named Williams &
2 Connolly. A full report on this matter is now
3 in the hands of the FBI.

4 5) At a meeting held in the offices of
5 Howard Weitzman, on June 15, 1988, I was
6 informed by Mr. Weitzman, that this suit need
7 not be filed and "could be handled", if and
8 only if, the Aznaran suit would be made to go
9 away.

10 6) Since I stopped representing the Cult in
11 or about November or 1987, my offices have
12 been broken into on at least three occasions
13 (once with a crow bar), and numerous docu-
14 ments are now missing relating to the cult.
15 These break-ins were conducted a number of
16 months after Mr. Moxon (an unindicted co-
17 conspirator in the United States v. Hubbard
18 case) had "cased the Joint" under the guise
19 of wanting to rent space from me;
20

21 Now as to the players:

22 14. As to Mr. Vallier, my former associate, an officer of
23 my professional Corporation, and former employee, I state as
24 follows:

25 a) Mr. Vallier, quit my employment in the month of
26 February on a few days notice;

27 b) Mr. Vallier is a well known seller of large quantities
28 of cocaine and has been so for years;

96

1 c) I am informed by Mr. Vallier that he was first busted
2 and convicted on drug charges at age 17, I am informed that
3 through the aid of his father (a local attorney), he had the
4 matter expunged from his record. Mr. Vallier expressed concern
5 to me during 1986 that he was being blackmailed by the Cult. He
6 stated that the Cult had confronted him with the fact of his
7 prior drug conviction as a minor, a fact that was not public
8 record;

9 d) I have personally seen Mr. Vallier in possession of
10 large quantities of cocaine which he stated was intended for
11 resale; and he also stated that selling drugs was his way of
12 supporting his own habit and supplemented his income;

13 e) Mr. Vallier has stated that he had been a supplier of
14 cocaine to other known enemies of the Cult while he was in law
15 school;

16 f) Mr. Vallier stated before departing my good offices
17 that he had been an "operative" for the Cult in obtaining
18 information from inside the offices of Charles O'Reilly, through
19 an old "cuddle" (as he called her), whom I recall he identified
20 as "Mary", stating that she was one of the O'Reilly attorneys'
21 secretary. Mr. Vallier further stated that he supplied "Mary"
22 with cocaine. With respect to the O'Reilly operation,
23 Mr. Vallier stated to me that he was "Run" by Warren McShane;

24 g) There currently exists a dispute between Mr. Vallier
25 and myself as to fees earned. It took Mr. Vallier three times
26 to pass the California Bar Exam.

27 15. Ms. Peti:
28

1 a) Worked for me from April 1987, (the time when the
2 Aznarans made an escape from a secret cult prison location in
3 the desert known as "Happy Valley") until shortly before, the
4 institution of this action. She was emotionally distraught, a
5 heavy substance abuser, and possessed of an extreme weight
6 problem. She was also a lover of Thomas Vallier with whom she
7 spent the night during a visit to Oregon which we took in the
8 Summer of 1987.

9 b) I am within the last week, informed by a Mr. Waysman
10 that she was a former secretary of his and a key witness in a
11 disciplinary proceeding which resulted in the 1986 published
12 case of Waysman v. State Bar of California, 224 Cal. Rptr. 101
13 (Cal.1986), involving allegations of drinking and drug abuse.
14 I am informed by Mr. Waysman, that Ms. Peti, worked for him only
15 three weeks before running off with money and testifying to
16 things she could have had no knowledge of.

17 c) I now believe Ms. Peti, was recruited to infiltrate my
18 organization as a plant at about the time of the criminal
19 incarceration of Vicki Aznaran, in early 1987, by the Cult
20 because of Peti's peculiar experience as witness in the Waysman
21 case (see exhibits 17 & 20.)

22 d) Prior to departing my offices, Ms. Peti had numerous
23 financial misfortunes, was sued for divorce by her estranged
24 husband, (the law clerk referred to in the Waysman case), and
25 was heavily using alcohol and drugs (which she stated she
26 obtained from Mr. Vallier, who she was regularly seeing after he
27 left my employment).

1 16. As to Mr. Warren McShane, I state that he has informed
2 me that he was a high ranking operative in the "G.O.", during
3 the days which saw the events which resulted in the United
4 States v. Hubbard convictions. His tendencies towards criminal
5 behavior and disregard for the law were the subject of many
6 complaints by me to Mrs. Vicki Aznaran prior to her incarceration
7 in the desert by the Cult. It was this tendency to criminality
8 that resulted in his removal from his post and apparently
9 gave rise to his current grudge match against me. I was
10 informed by Mr. McShane that he was running plants in the inner
11 circle of one David Mayo and that he was "culling" confidential
12 confessional folders of Cult members (known as "P.C. folders")
13 to gain information that would be used against them as blackmail
14 or for impeachment purposes. I personally observed this culling
15 and objected to it.

16 17. As to Mr. Moxon, I state that:

17 Prior to his completing law school, he was one of numerous
18 unindicted co-conspirators in the case of United States v.
19 Hubbard.

20 18. Mr. Cooley (who in his last two outings for the Cult
21 lost a \$39 million dollar verdict in Oregon and another \$30
22 million verdict in L.A.) has personally ordered the destruction
23 of evidence relating to Cult litigation in my presence. These
24 orders were given to Warren McShane and Mark "Marty" Rathburn.

25 19. I was hired by Mrs. Aznaran in 1984 to represent the
26 Cult in trade secret, copyright and trade mark litigation
27 matters.

93

1 20. I am informed and therefore believe, that sometime in
2 early 1987, Mrs. Aznaran was abducted and taken to a
3 "Jonestown-like" camp known as "Happy Valley". As far as I knew
4 she just disappeared. It was not until many months later that
5 Vicki, a personal friend, found the courage to initiate contact
6 with me.

7 21. Prior to speaking with Vicki, after her abduction, a
8 number of extremely troubling occurrences happened involving my
9 representation of the Cult; to wit:

10 a) Sometime in April or May of 1987 I was summoned
11 to a meeting on the 4th floor of the Cult headquarters in L.A.
12 and at that meeting were many high ranking officials of the Cult
13 including, Linda Hamel (director of Covert Intel operations),
14 "Marty" Mark Rathburn, and an indistinguished cast of others.
15 The subject matter of the meeting was to be "the Catholic
16 Conspiracy and Charles O'Reilly." At the meeting it was
17 explained that Catholics were enemies of the Cult and that
18 Charles O'Reilly was their best hit man. (O'Reilly had recently
19 obtained a \$30 million dollar verdict against the Cult in
20 Wollersheim and previously tried the Allard case). Mr. O'Reilly
21 (whom I have personally sued for the Cult, obtaining an
22 injunction against him in Federal Court), despite his human
23 tendencies, remains one of the few lawyers in this country with
24 the skill and courage to meet the Cult head on, beat it and not
25 sell out. Since he didn't have a price, it was explained by
26 Mr. Rathburn that he must be handled through blackmail. Three
27 private investigators were present at the meeting. I do not
28 remember their names. I and the others were told by "Marty"

1 Rathburn, that on the orders of David Miscavige (the successor
2 the L. Ron Hubbard as the head of the Cult), that the medical
3 records of O'Reilly were to stolen from the "Betty Ford Center"
4 and another location in Santa Barbara, to show that he was using
5 cocaine, discredit him, and possibly blackmail him into easing
6 off on his 30 million dollar verdict now on appeal. I objected
7 to this as illegal and an alternative plan was quickly arrived
8 at to "settle my nerves". Within days, I informed the Cults'
9 chief lawyer, John Peterson, that I wanted to substitute out of
10 the cases in which I represented the Cult. Shortly thereafter
11 Mr. Peterson died. I substituted out as quickly as possible
12 thereafter.

13 b) I also became aware of numerous "cullings" of P.C.
14 folders by Cult members. I was actually given P.C. folder data
15 to prepare for depositions of former members. Again I objected.
16 The confidential materials were put in "prep Packs". When I
17 objected to this practice, I was told by Mr. McShane and a
18 Mr. Ryerson that this was standard practice in the Cult. I
19 again offered my resignation as their counsel. Within weeks,
20 the prep packs were removed from my office by a team of Cult
21 members headed by a Mrs. Joyce Van Dyke. Prior to the break-ins
22 into my office, I received receipts for the prep packs as they
23 were turned over to the Cult team. I have not been able to
24 locate them.

25 c) There was also wholesale destruction of evidence,
26 theft of documents from private persons and attempts to infil-
27 trate the Court chambers of Judges Lilly and Swearingen.
28

1 d) This is but the tip of the iceberg. Many of the
2 documents in this Court's Jury Room show recent attempts by this
3 Cult to infiltrate courthouses, U.S. Government contractors such
4 as Honeywell in Phoenix, to find out what classified projects
5 these contractors were getting from the "Rockefellers" and the
6 "DOD" and other "enemies of mankind".

7 e) I was also informed of a Cult-organized group of
8 vigilantes known as the "minutemen" who were to go beat up
9 dissidents and had in fact done so. I retained no originals of
10 any documents that belonged to the Cult, I simply retained
11 copies, which I am permitted to do. The encrypting diskettes
12 for the Cult computer, were turned over to them prior to the
13 break-ins in my office.

14 f) I also became aware of a plot to obstruct Justice or
15 at the least perpetuate a fraud on the Courts in the form of
16 settlement agreements of numerous pieces of Cult Litigation,
17 which required that the lawyers never take litigation against
18 the Cult in the future, that no-one (lawyers or parties) testify
19 against the Cult, and that all evidence and files be turned over
20 to the Cult for destruction.

21 g) Additionally, I became aware that witnesses such as
22 Bill Franks and others signed contracts to keep quiet about what
23 they knew. In other words they were paid hush money.

24 22. I never engaged in the representation of Aznarans or
25 Mr. Corydon, nor did I impart any confidential "privileged
26 information to them." We have one thing in common, a common
27 criminal enemy -- the Cult -- who the governments of this
28 country have allowed to physically beat its citizens, to betray

1 their confidences, ignore their civil rights and use the
2 Judicial System to Destroy them.

3 23. That I had a difficult time sleeping knowing what I
4 knew, having represented this criminal Cult -- I readily admit.

5 24. From the time I wanted to substitute out of the Cult
6 cases until present, the Cult failed to make payments for
7 services rendered. A fee dispute arose, when questioned by Cult
8 member Carol Martiniano about who would have facts to support my
9 contentions regarding the fee dispute, I informed her Vicki and
10 others would know. Within a few days Vicki called me to tell me
11 that she had received threats from Earle Cooley on the phone,
12 that she better not be remembering the facts the way she was
13 stating them or she would be sued by the Cult. At that time
14 Vicki informed me of the facts surrounding her incarceration and
15 denial of medical treatment at "Happy Valley". I informed her
16 that she had a potential statute of limitations problem, that I
17 probably shouldn't represent her, but would help her find a
18 lawyer. I told her that she had a place to stay if she wanted
19 one -- my home. She, her husband and Ms. McRae came to my home,
20 found a lawyer and sued. To this day, I haven't seen her full
21 complaint, and no one in my office drafted any part of it.

22 25. It was my determination that I had no conflict of
23 interest in the Aznaran matter, but in order to best serve the
24 Aznarans' interests, they should find other counsel -- so the
25 matter could be resolved on the merits, not by default or
26 attrition.

27 26. As a result of Vicki's visit, I met Mr. Corydon,
28 Vicki's friend. I began to gather evidence for my conflict with

1 the Cult since the storm clouds were gathering. I had read
2 Mr. Corydon's Book, L. Ron Hubbard - Messiah or Madman, before
3 meeting Mr. Corydon, found the book both frightening and
4 interesting, and submit the same as exhibit 28. I recommend it
5 to the Court's attention.

6 27. Most of the alleged facts set forth in the Declaration
7 of Peti are outright lies. It is true that Mrs. Peti worked for
8 the firm of Herzig & Yanny for a little more than a year. When
9 she quit, she left in the middle of a business day and never
10 returned, contrary to her statement that she came back to the
11 firm from time to time and that I made damaging statements to
12 her.

13 28. In addition to the above, it is also true that my
14 office has copied the work performed on behalf of the plaintiffs
15 and the work performed by other offices to which our office
16 responded on behalf of plaintiffs. We have retained those
17 copies. It is further true that our office has retained the
18 complete diskettes that contain the work that the Herzig & Yanny
19 firm did for the plaintiffs, most of which has been filed and is
20 therefore subject to public inspection. I have also received
21 communications from plaintiffs containing material which indi-
22 cates that they were engaged in criminal activity. I retained
23 copies of those documents in order to establish that these
24 criminal activities are such as to constitute a waiver of the
25 attorney-client privilege and also establish that this lawsuit
26 and their conduct toward me in initiating it are a part of a
27 common purpose and plan carried out by the plaintiffs against
28 all those people who leave their employment or who leave their

1 church. It is necessary for me to retain those copies to
2 properly defend myself in this action.

3 29. I have had no opportunity to get fully informed advice
4 from my attorney, or from any attorney, as to what I should do
5 with the copies that I formerly retained, which are now held by
6 this Court. I believe that those documents will indicate that
7 the plaintiffs have participated in a consistent conspiracy to
8 obstruct justice and to perpetrate a fraud upon the Court and
9 that by reason thereof, and by reason of the provisions of
10 California Evidence Code §956, such information is not subject
11 to any privilege whatsoever.

12 30. Addressing myself to certain of the specifics of the
13 Dorothy Ann Peti Declaration, my comment is as follows:

14 At no time did I instruct Dorothy Ann Peti or anyone else
15 in the employment of Herzig & Yanny to inflate the billable
16 hours for the plaintiffs, or for any other clients of the
17 office. With reference to Thomas R. Vallier, on numerous
18 occasions, I informed Mr. Vallier that he was either incompetent
19 or had lost sight of the true hours spent on the job, and that I
20 could not bill the client the hours shown on his timesheets, and
21 I drastically reduced the hours billed to the client.

22 31. It is absolutely false that I charged Lisa Wilske's
23 time at other than her normal rate, which ran from various time
24 at \$40 per hour, \$75 per hour, and later, when she finished law
25 school and became an attorney, at \$125 per hour.

26 32. It is not true that Lisa Wilske or anyone else ever
27 asked Ms. Peti to attend any proceeding at the home of Joseph A.
28 Yanny and give an "impression" of conversations with any

1 individuals. Most of the time that Ms. Peti was "at" my home
2 was actually spent at a local bar called the "Poopdeck" and, on
3 at least one of the days that she refers to, she called us to
4 come and get her because she was so drunk that she was afraid to
5 leave the bar by herself. On one of those occasions, she bought
6 me a shirt containing an advertisement of the bar, which is
7 still owned by Declarant.

8 33. I knew Vicki Aznaran because she had been the presi-
9 dent of Religious Technology Center, one of the plaintiffs
10 herein, during the time that I represented the plaintiffs.
11 After Ms. Aznaran left the Church, and after I terminated my
12 professional relationship with plaintiffs, I had numerous
13 conversations with her, and she advised me that she had termi-
14 nated her relationship with plaintiffs and that she had been, in
15 effect, kidnapped and taken to the desert, deprived of medical
16 care, forced to go on marches, and finally was able to escape.
17 She said that she was going to come over and discuss the matter
18 with me. During one of the weekends at my home, in addition to
19 the social pleasantries that were exchanged, she asked me if I
20 could represent her in suits against the Church; I stated that I
21 would have to review the matter.

22 34. At that time, I had heard of Mr. Corydon, but I had
23 not met him until he came to visit with Vicki at my home in
24 Hermosa Beach. I had known that he written the book L. Ron
25 Hubbard -- Messiah or Madman?, and that the plaintiffs were
26 extremely angry with him over writing the book, but I knew
27 little about him. At no time did Mr. Corydon tell me he did not
28 have financial resources to hire an attorney. At no time did I

1 discuss those lack of funds or Lisa Wilske's prior participation
2 with the plaintiffs, nor did I ever offer to have Ms. Wilske, or
3 anyone in my office, represent Mr. Corydon. At no time did I
4 have Lisa Wilske or Richard Wynne or anyone else in my office
5 research any issues concerning the Aznaran Complaint. The only
6 research that was done was by Lisa Wilske and Mary Grieco as to
7 the propriety or possibility of our firm representing someone
8 adverse to the plaintiffs. For many reasons, I decided it would
9 be inappropriate to represent the Aznarans.

10 35. Neither I nor anyone else in the office of Herzig &
11 Yanny to my knowledge drafted any portion of the planned or
12 actual Aznaran Complaint, and it is an absolute lie (as is most
13 of the Declaration of Peti) that I was present during the filing
14 of that Complaint. It is also not true that I imparted any
15 confidential material, or any material whatsoever, to the firm
16 of Cummins & White or to any of its members to assist them in
17 the preparation of the Aznaran Complaint.

18 36. It is true that a stack of documents were brought to
19 my home on one of the dates referred to in the Peti Declaration.
20 These documents related to the break-in of government offices by
21 agents of the plaintiffs in 1977 or 1978 which resulted in an
22 action brought by the United States against the plaintiffs, and
23 resulted in nine of the top executives of the Cult, including
24 the wife of L. Ron Hubbard, being convicted and sent to spend
25 time in the Federal penitentiary.

26 37. I felt they were relevant to my impending suit with
27 the Cult in light of the numerous break-ins to my quarters. The
28 fanciful story told by the petitioner in paragraph 21 on pages

1 and 7 of Ms. Peti's Declaration is not only false, but it is
2 intended to create an impression which Ms. Peti knows is false.
3 The facts of that matter are absolutely to the contrary.
4 Ms. Peti is well aware that the motion she refers to was pre-
5 pared by the Church at their own offices and was brought to me
6 by Thomas Vallier at Court when I was present during another
7 matter. I read the documents and refused to sign them. I said
8 that they were wrong and were not to be served. I told
9 Mr. Vallier that they were wrong and were not to be served, and
10 he left. If I had known that they had been served, I would
11 certainly have sent out a "notice of non-hearing." I first
12 learned that the document had been served when I received the
13 motion for sanctions. I inquired of Ms. Peti, and she told me
14 that she had received a call from the Church and that they had
15 told her that I had advised them that she should serve the
16 documents. I told her that that was absolutely false. The
17 Church insisted that I oppose the motion for sanctions and I
18 did.

19 38. At no time did I lecture or otherwise inform Corydon
20 or anyone else concerning the actual facts about the plaintiffs'
21 "weaknesses." I was advised and learned of some of those
22 weaknesses, but that knowledge was one of the things that
23 persuaded me not to represent the Aznarans in their suit against
24 the plaintiffs.

25 39. It is true that, after Vicki Aznaran told me the facts
26 of her imprisonment by the plaintiffs, I told her that she might
27 have a statute of limitations problem and that if she was going
28 to bring an action she had better be careful of the time

1 limitation. I also told her that I would recommend some
2 attorneys she could go to. She told me that there had been
3 numerous agreements made between the Church and numerous attor-
4 neys and witnesses wherein they had agreed not to represent
5 anyone who had an interest adverse to the Church and the wit-
6 nesses agreed not to testify for anyone who had a cause of
7 action against the Church.

8 40. I have never seen the full Aznaran Complaint. I am
9 not aware of it ever coming to the office of Herzig & Yanny. I
10 was not aware that this was a possibility until my attorney read
11 that portion of the Ms. Peti statement to me on June 26, 1988,
12 paragraph 24 of the Peti Declaration. Under no circumstances
13 did I assist in the preparation of any Complaint by Aznaran
14 against the Church.

15 41. The Declaration of Vicki Aznaran concerning the
16 retainer fee dispute that I presently have with the plaintiffs
17 came in some time prior to any meeting I had with the Aznarans.
18 That Declaration was taken from my office during one of the many
19 break-ins to my office following my termination as attorney for
20 the Church. During one of those break-ins, which was accom-
21 plished by the use of a crowbar, my individual office was broken
22 into as well.

23 42. Paragraph 28 of Ms. Peti's Declaration is absolutely
24 false, and Ms. Peti must know that it is false. Ms. Peti had
25 nothing to do with the billing at our office. If she had taken
26 the time to make an investigation of that billing, she would
27 have discovered that all of the billing for Lisa Wilske, whether
28 for the Church or any of the clients, was billed at Ms. Wilske's

1 regular rate, and was never billed at Yanny's higher partner
2 rate.

3 43. The allegations of paragraph 31 in Ms. Peti's Declara-
4 tion are vicious and false, and are nothing but deliberate lies
5 intended to place me in a bad light before this Court.

6 44. At this point, I have not had sufficient opportunity
7 to review the extensive documentation filed by the Cult in
8 support of the pending Application.

9 45. As to the Declaration of Mr. Vallier, I can only state
10 that the contents of paragraph 2, appear to be generally correct
11 but the contents of paragraph 3 and 4 are out right perjury. As
12 to paragraph 5, I can only state that there was a break-in into
13 my offices, I have no knowledge of what others believe or
14 stated, that I staged no break-in. The balance of Mr. Vallier's
15 paragraph 5 is a lie. As to paragraph 6 and 7 of Mr. Vallier's
16 Declaration, I can only state that both Peti and Vallier (who
17 are now on the Cult's payroll) are Liars and the implications
18 are false. As to paragraph 8, I did withdraw as counsel and
19 executed substitution of attorney papers which were delivered to
20 the Cult representatives for filing in Court. As to the con-
21 tents of paragraphs 9, 10, 11, 12 and 13, I can only state that
22 there was no "conspiracy," and I have no knowledge of Mr.
23 Vallier's conversations with Messrs. Wynne and Grabowski, and
24 that his alleged conversation with me is a figment of his
25 tortious imagination. The contents of paragraph 14 are also
26 false.

27 46. As to the contents of the Declaration of Warren
28 McShane, I can only state that as to:

1 a) paragraph 3, 4, 5, 6, - the contents are
2 false as far as I know. I never met McShane
3 until 1984.

4 b) The contents of paragraph 7 appears to
5 be generally correct;

6 c) I have no recollection of the allega-
7 tions made in paragraph 8 or 9 of the McShane
8 Declaration, and all my files are with this
9 Court;

10 d) The contents of paragraph 10 appears to
11 be generally correct, except that the dates,
12 and I did represent the Cult in the Litiga-
13 tion specified in paragraph 11.

14 e) As to paragraph 12 and 13, I can only
15 state that Vicki Aznaran was and is my friend
16 (a concept you will not find discussed in the
17 Cult writings of L. Ron Hubbard). In 1985, I
18 was given a \$150,000. non-refundable
19 retainer, "For 1985" not to be applied
20 against billings, as an inducement to begin
21 working nearly full time for the Cult as
22 "co-ordinating attorney". I did submit bills
23 regularly and none of the 1985 retainer was
24 applied against billings. The remainder of
25 paragraphs 13, 14, 15, 16 and 17 are untrue
26 except that I did often reduce my bills to
27 compensate for the quality of the work done
28

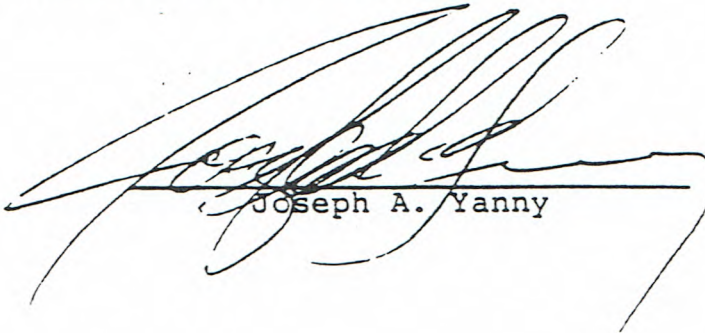
1 by Vallier, who needed three tries to pass
2 the Bar Exam.

3 f) As to the contents of paragraphs 18-24,
4 I can only state that I have had correspon-
5 dence with Mr. Weitzman, but the balance is
6 either untrue, distorted, or not in my memory
7 banks or records.

8 At no time have I ever conspired with anyone to disclose,
9 nor have I disclosed, nor do I intend to disclose any privileged
10 information pertaining to the Plaintiffs in this lawsuit which
11 was obtained during the course of the prior attorney-client
12 relationship between Plaintiffs and Defendants. I do not intend
13 during the course of this lawsuit, nor at any time hereafter, to
14 aid, counsel, or otherwise participate in the legal representa-
15 tion of Vicki J. Aznaran, Richard Aznaran, and Bent Corydon
16 regarding their lawsuits with Plaintiffs.

17 I hereby declare under penalty of perjury under the laws of
18 the State of California that all of the above is true and
19 correct except as to those matters stated on information, and as
20 to those matters I believe them to be true.

21 Executed at Los Angeles, California on this 13th day of
22 July, 1988.

23
24 
25 Joseph A. Yanny
26
27
28

OU

VERIFICATION

STATE OF CALIFORNIA, COUNTY OF

I have read the foregoing _____ and know its contents.

☒ CHECK APPLICABLE PARAGRAPH

☐ I am a party to this action. The matters stated in the foregoing document are true of my own knowledge except as to those matters which are stated on information and belief, and as to those matters I believe them to be true.

☐ I am ☐ an Officer ☐ a partner _____ ☐ a _____ of _____

a party to this action, and am authorized to make this verification for and on its behalf, and I make this verification for that reason. ☐ I am informed and believe and on that ground allege that the matters stated in the foregoing document are true. ☐ The matters stated in the foregoing document are true of my own knowledge except as to those matters which are stated on information and belief, and as to those matters I believe them to be true.

☐ I am one of the attorneys for _____ a party to this action. Such party is absent from the county of aforesaid where such attorneys have their offices, and I make this verification for and on behalf of that party for that reason. I am informed and believe and on that ground allege that the matters stated in the foregoing document are true.

Executed on _____, 19____, at _____, California.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Type or Print Name

Signature

PROOF OF SERVICE

1013A (3) CCP Revised 5/1/88

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the county of Los Angeles, State of California.

I am over the age of 18 and not a party to the within action; my business address is: One Wilshire Blvd., Suite 2200, Los Angeles, California 90017

On July 29, 1988, I served the foregoing document described as NOTICE OF MOTION AND MOTION TO STRIKE PORTIONS OF COMPLAINT; MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF

_____ on interested parties in this action

☒ by placing the true copies thereof enclosed in sealed envelopes addressed as stated on the attached mailing list:
☐ by placing ☐ the original ☐ a true copy thereof enclosed in sealed envelopes addressed as follows:

SEE ATTACHED MAILING LIST

☒ BY MAIL

☐ *I deposited such envelope in the mail at _____, California.

The envelope was mailed with postage thereon fully prepaid.

☒ As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

Executed on July 29, 1988, at Los Angeles, California.

☐ *(BY PERSONAL SERVICE) I delivered such envelope by hand to the offices of the addressee.

Executed on _____, 19____, at _____, California.

☒ (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

☐ (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Erma C. Cotton

Type or Print Name

Erma C. Cotton

Signature

STUARTS EXBROOK TIMESAVER (REVISED 5/1/88)

NEW DISCOVERY LAW 2030 AND 2031 CCP

May be used in California State or Federal Courts

*BY MAIL SIGNATURE MUST BE OF PERSON DEPOSITING ENVELOPE IN MAIL SLOT BOX OR BAG

**IFOR PERSONAL SERVICE SIGNATURE MUST BE THAT OF MESSENGER

SERVICE LIST

Howard L. Weitzman, P.C.
James H. Berry, Jr.
William T. Drescher
Wyman, Bautzer, Kuchel & Silbert
Two Century Plaza, Fourteenth Floor
2049 Century Park East
Los Angeles, California 90067

Kendrick L. Moxon, Esq.
Bowles & Moxon
6255 Sunset Blvd., Suite 2000
Hollywood, California 90028

Earle C. Cooley, Esq.
Cooley, Manion, Moore & Jones, P.C.
530 Atlantic Avenue
Boston, Massachusetts 02210